FBIS DAILY REPORT

CONTENTS

Latin America

Vol VI No 203 *21 October 1985*

ARGENTINA

British Helicopters Overfly Fishing Vessel B 1
Foreign Ministry Communique B 1
Incident Seen As UK Reaction B 1

BOLIVIA

10-Year Moratorium on Debt Interest Payment Asked C 1
Planning Minister on Gold Reserves, Economy C 1
Garret Expects $150 Million in International Aid C 1
MNR, ADN Sign 'Pact for Democracy' 17 Oct C 2
General Says Arrests Follow Guerrilla Probe C 3

BRAZIL

Mitterrand Suggests Solutions to Debt Crisis D 1
Regrets Nicaraguan Situation D 1
Condemns S. African Execution D 2
Departs for Colombia D 2
Foreign Ministry Condemns S. African Execution D 2
Diplomatic, Commercial Ties With Cuba To Resume D 3
[FOLHA DE SAO PAULO 19 Oct]
President Evaluates Situation, Says Worst Over D 3
AMX Fighter-Bomber Makes First Test Flight D 4
[O ESTADO DE SAC PAULO 17 Oct]
U.S. Air Force 'Interested' in Buying Tucanos D 4

CHILE

Santiago Escape Attempt Leads To Shootout [AFP] E 1
Death Toll At Six [AFP] E 1
Union Leaders Reported Safe E 1
MIR Blamed E 2
Briefs: Army Appointments E 2

COLOMBIA

France's Mitterrand Makes Official 3-Day Visit F 1
Betancur Praises French Position F 1
Mitterrand Pre-Arrival Interview F 2
Interview, Part 2 F 4
Betancur Welcomes Mitterrand F 6
Mitterrand Condemns Nicaraguan Measures F 7
Supports Contadora Group [Paris] F 7
UP Asks Government To Resume Dialogue With M-19 F 8
[EL TIEMPO 8 Oct]
Warns Clashes Hinder Process [EL TIEMPO 11 Oct] F 9

ECUADOR

President Criticizes Nicaraguan Government Actions G 1
Condemns 'Traitors' G 1
'No Room for Mediation' G 2
PRC Grants $5-Million Credit for Bilateral Trade G 2
Central Bank Manager on Official Visit to PRC G 2

PERU

Prime Minister Returns From Seoul, Tokyo J 1
Says IMF Position Respected J 1
Minister Atala Departs for India, USSR, Japan J 1

URUGUAY

Foreign Minister on Resumption of Cuba Ties K 1
'Unanimous Support' for Move K 1

MEXICO

Nicaragua's Ortega Arrives for 6-Hour Visit M 1
Meets With De la Madrid M 1
Holds News Conference M 1
Ends Visit, Departs for U? M 3
De la Madrid, Guatemala's Mejia Meet in Tapachula M 4
Joint Communique Issued M 4
Government Unable To Pay Foreign Debt Services M 6
Briefs: Trade, Agreement With Cuba M 6

PANAMA

Winston Spadafora Sends Letter to Del Valle N 1
[LA PRENSA 14 Oct]
Report on Spadafora Death Submitted to Assembly N 1
[LA ESTRELLA DE PANAMA 17 Oct]
Chiriqui Province Woman's Killer Confesses N 2
[LA REPUBLICA 15 Oct]

CENTRAL AMERICA

COSTA RICA

Officials Disagree on Status of Regional Meeting P 1
Minister Denies Monge Statement on Nicaragua P 1
Nicaraguan Accusations of Attacks Refuted P 2
[LA NACION 9 Oct]

EL SALVADOR

Inez Duarte's Release Possibly 'Next Week' P 3
Chances for Quick Release 'Slim' [DPA] P 3
Archbishop in Panama for Talks [DPA] P 4
Venceremos Claims Duarte Collapse 'Imminent' P 4
FMLN Reports Air Force Bombing of Farms, Schools [Venceremos] P 7

HONDURAS

U.S. Aid for Contras Confiscated, To Be Returned P 7
Editorial on Aid Seizure, Missing Persons P 8
PINU Candidate Warns of Possible Coup d'Etat P 10

NICARAGUA

Protest Note to Costa Rica Over Mobilizations P 11
Ortega Hails Anniversary of UN Declaration P 11
Ortega Departs To Address UN General Assembly P 12
Private Meetings Planned P 13
Editorial Says Emergency Decree 'Necessary' [BARRICADA 17 Oct] P 14
Opposition Summoned, Warned by State Security [ACAN] P 15
Reserve Military Service Law in Force P 16
Communique Issued P 16
State of Emergency, Contra Aid Seizure Viewed P 17
Decision on Contra Aid Viewed P 17

CUBA

Zambia's Kaunda Visits Isle of Youth Q 1
Castro Speaks Q 1
Kaunda Speaks Q 4
Cooperation Commission Set Up Q 5
Kaunda Ends Visit Q 5
Health Congress Issues Declaration on Debt Q 6

CARIBBEAN

Commonwealth Agrees On South Africa Sanctions [AFP] S 1
Sanctions Declaration Presented S 1
Thatcher 'Minority of One' [Wellington] S 2
Thatcher's 'Partial Victory' [Kuala Lumpur] S 3
Debate Details [AFP] S 3
Caricom Leaders Call For South Africa Sanctions S 4
U.S. Official, Kaunda, Lange On Sanctions [AFP] S 5

BRITISH HELICOPTERS OVERFLY FISHING VESSEL

PY181740 Buenos Aires Domestic Service in Spanish 1636 GMT 18 Oct 85

[Text] Buenos Aires, 18 Oct (NA) -- Two British military helicopters overflew the Argentine fishing ship Persuarsa 2 for over 2 hours in the Atlantic Ocean outside the exclusion zone imposed by the British Government around the Malvinas Islands. In view of this situation the corvette Comandante Espora of the Argentine Navy came to help the vessel.

A Navy spokesman said that the incident occurred northwest of Malvinas "about 230 miles from the islands" on 17 October, in the afternoon. The corvette Comandante Espora was on patrol when it received the fishing vessel's radio message about the presence of British helicopters. The ship went immediately to the area and escorted the vessel for several hours as it continued its normal fishing activities. The helicopters left the area just before the arrival of the corvette.

Foreign Ministry Communique

PY182240 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2224 GMT 18 Oct 85

[Excerpts] Buenos Aires, 18 Oct (NA) -- The Argentine Foreign Ministry this afternoon officially confirmed that the corvette ARA Espora of the Argentine Navy had to "help" an Argentine fishing ship operating in the South Atlantic, outside the so called protection zone around the Malvinas Islands.

This is the text of the official communique of the Argentine Foreign Ministry:

"The Argentine Foreign Ministry hereby reports that the Argentine Defense Ministry has advised it that yesterday at 1805 [2105 GMT] while patrolling the southern area of Argentina's sea jurisdiction, the corvette ARA Espora received a radio message from the Argentine fishing ship Persuarsa II, which was operating at 51 degrees, 6 minutes, and 4 seconds south latitude, and 63 degrees, 34 minutes west longitude, to the northwest of and outside the so-called protection zone around the Malvinas Islands, was being overflown by two British Sea Lynx helicopters, which are usually carried by British destroyers stationed in the archipelago.

The corvette ARA Espora came to the aid of the fishing ship and escorted it for a few hours, its arrival being instrumental to the withdrawal of the two British helicopters. Afterwards, the corvette ARA Espora continued with its normal activities."

Incident Seen As UK Reaction

PY191730 Madrid EFE in Spanish 1636 GMT 19 Oct 85

[By reporter Jesus Fonseca Escartin]

[Excerpt] Buenos Aires, 19 Oct (EFE) -- Upon confirming a report that a Navy corvette had to support a fishing vessel that was being followed by two British helicopters, the Argentine Government assessed the incident, which took place last Thursday in the south Atlantic, as being another reaction from Mrs Thatcher's government. In this regard, Secretary of State for International Relations [as received] Jorge Sabato today stated that Argentina hopes that the United Kingdom accepts diplomatic negotiations as a way to overcome the conflict over the islands. Argentina firmly believes in the need to overcome the differences through holding talks and diplomatic negotiations, Sabato said.

10-YEAR MORATORIUM ON DEBT INTEREST PAYMENT ASKED

PY181945 Paris AFP in Spanish 0213 GMT 18 Oct 85

[Text] La Paz, 17 Oct (AFP) -- It was officially reported here that Bolivian President Victor Paz Estenssoro has formed a special committee to study the foreign debt issue. The committee will be headed by former Planning Minister Adolfo Linares Arraya.

A supreme decreee establishes that the state is obliged to honor the foreign debt (totaling $5 billion), but that under the current circumstances no payments can be made because they would further worsen the balance of payments and weaken the struggle against inflation. Given this situation, the committee will propose to Bolivia's creditors a 10-year moratorium on interest payments and a 15-year moratorium on the amortizations on the principal.

The decree then states that the greatest concern of the current administration is the problem of setting a low, fixed interest rate, which must be reviewed within the framework of North-South negotiations. Nevertheless, it was made clear that the deferment affects the debt with international private banks -- totaling just $800 million -- and with private suppliers for purchases made by Bolivia.

PLANNING MINISTER ON GOLD RESERVES, ECONOMY

PY111908 La Paz Cadena Panamericana in Spanish 1700 GMT 11 Oct 85

[Text] Planning and Coordination Minister Guillermo Bedregal Gutierrez today reported that the gold reserves at the Central Bank amount to $140 million. He also said that on 6 August this year when the Paz Estenssoro administration took over reserves stood at minus $20 million. This is what he said:

[Begin recording] For the first time in the last 10 years the net reserves of the Central Bank amount to over $140 million. This is unprecedented. Therefore, we have the means to assure the stability of our currency vis-a-vis the U.S. dollar -- that is, the growth of our net reserves. On 6 August this year our reserves stood at minus $23 million, so this development is encouraging from every viewpoint. [end recording]

The minister also indicated that the government's economic policy provides for a sustained stockpiling [renovation] of gold. He made it clear that so far there are no plans to sell gold.

He announced that a draft bill has been prepared to change the currency. He said that it will be up to the congress to analyze this draft bill. The minister emphasized that the paternalistic approach to industry has been eradicated, but said that there could be some changes in the tariff policy. This is something the industrialists have been asking for from the very beginning of the new administration.

GARRET EXPECTS $150 MILLION IN INTERNATIONAL AID

PY161732 Paris AFP in Spanish 1405 GMT 16 Oct 85

[Text] La Paz, 16 Oct (AFP) -- Vice President Julio Garret Ayllon has returned from New York, where he attended the UN General Assembly.

He reported in La Paz today that, in order to stabilize the Bolivian economy, Bolivia will receive assistance from friendly countries worth $150 million. Garrett emphasized that the first step was taken by Colombia, whose government has remitted $10 million directly to the Central Bank of Bolivia.

Afterward, similar steps will be taken by the PRC, RDK, Japan, Spain, France, the United States, Venezuela, Argentina, Austria, the FRG, Brazil, Peru, Belgium, Canada, the Netherlands, Italy, Mexico, Sweden, Switzerland, and Uruguay.

The current Bolivian Government, led by Victor Paz Estenssoro, has launched a program to liberalize the economy and halt a hyperinflationary process that threatened to reach 40,000-percent in 1985. Those measures forced the implementation of a freely fluctuating dollar exchange rate, the free importation of goods, decentralization of the state-owned enterprises, and the free hiring of salaried workers. The program, implemented on 29 August, elicited strong social reactions leading to the implementation of a state of siege and the confinement of 177 union leaders, who were then allowed to return from the Amazonian areas in exchange for the lifting of a hunger strike and a general strike ordered by the Bolivian Labor Confederation [COB].

MNR, ADN SIGN 'PACT FOR DEMOCRACY' 17 OCT

PY170156 La Paz Cadena Panamericana in Spanish 0000 GMT 17 Oct 85

[Text] In the Marshall Santacruz Hall at the Legislative Palace, the two largest Bolivian political parties, the MNR [Nationalist Revolutionary Movement] and the ADN [Nationalist Democratic Action], today signed a "Pact for Democracy." The protagonists of this historical event that may make it possible to preserve and guarantee democratic rule for years to come were current President Victor Paz Estenssoro, head of the MNA, and General Hugo Banzer Suarez, the leader of the ADN, the political party that obtained the majority in the popular vote in the July elections.

The two political leaders made speeches on this occasion. General Banzer Suarez said that the "Pact for Democracy" puts a new image on Bolivia and its political practices, because in the past the struggle for power had undercut government actions. He said that henceforth, for the good of the Republic, the time has come to let the government govern. He recalled that political relations in the country had developed in a framework of intolerance, antagonism and anarchy. Banzer Suarez then called for political responsibility in order to ensure the future of the generations to come, and he explained that the ADN took the first steps toward a political understanding this past August when it recognized the government that resulted from a congressional decision, notwithstanding the fact that the ADN had the largest number of popular votes.

Banzer Suarez went on to say that the "Pact for Democracy" will remove antagonism from political relations because it proposes changes in the political conduct of Bolivians and seeks new forms of coexistence in order to eliminate obstacles in maintaining the stability of the Republic. Continuing, Banzer Suarez said we must believe in the democratic system in order to allow rotations in government, which is the people's guarantee that there will not be a monopoly over the government.

In turn, President Victor Paz Estenssoro said that the agreements for the participation of political parties have not been few. He then called the "Pact for Democracy" an unprecedented document in the history of the Republic. In a passage of his speech, President Estenssoro said:

We will put our combat banners away in a box for safekeeping until we can solve the country's problems for the good of the nation.

The signing of the "Pact for Democracy" between the MNR and the ADN was attended by the highest national civilian and military personalities and members of the diplomatic corps.

The document, which is divided into 5 chapters, asserts that the "Pact for Democracy" consitutes a commitment to political coexistence that is open to the participation of other parties that, without relinquishing their ideological convictions and government platforms, are willing to surmount differences and undertake joint action for the nation's recovery from the crisis that weighs heavily on the Bolivian people and in defense of democracy and the political and constitutional stability of the Pepublic.

GENERAL SAYS ARRESTS FOLLOW GUERRILLA PROBE

PY190254 Paris AFP in Spanish 0131 GMT 19 Oct 85

[Text] La Paz, 18 Oct (AFP) -- General Simon Sejas Tordoya, the Bolivian Armed Forces commander in chief, said today in Santa Cruz, a city located to the east of La Paz, that some people have been detained in connection with an investigation into charges on the alleged existence of guerillas in Bolivia. Our experience in Nancahuazu and Teoponte -- where the guerrillas of Che Guevara operated -- has taught us that we must gather enough information, Gen Sejas Tordoya said. He gave no furter details.

Sejas Tordoya said that all Armed Forces units are legally empowered to conduct an investigation and if there are guerrillas, our forces will fight against them and eliminate them in defense of our sovereignty and social peace.

Referring to the political agreement signed by the two largest political forces in the country, the Nationalist Revolutionary Movement [MNR] and the Nationalist Democratic Action [ADN], Sejas Tordoya said it is encouraging and positive, and it contributes to democracy. Army Commander General Raul Lopez Leyton stated that the political agreement signed by President Victor Paz Estenssoro and ADN leader General Hugo Banzer Suarez shows that this process is being consolidated, and that it can be an important basis for a continuous state of democracy. General Gary Prado Salmon, commander of the 8th Army division headquartered in Santa Cruz, stated that the agreement seems positive and the government's commitment not to use the Armed Forces for political purposes was satisfying for him.

MITTERRAND SUGGESTS SOLUTIONS TO DEBT CRISIS

PY181533 Sao Paulo Radio Bandeirantes Network in Portugese 1000 GMT 18 Oct 85

[Text] The inclusion of services in the GATT will not be easy, President Mitterrand admitted during his meeting with Sao Paulo businessmen. Brazil, (?India), Yugoslavia and other Third World countries will oppose this issue, because they will never be able to compete against the industrialized countries under the same rules for banking, tourism, informatics, and technology. Mitterrand said that the GATT will only discuss the matter when the grounds [pautas] for it are given.

President Mitterrand made two proposals to solve the Third World debt crisis: to offer greater liquidity in the international market and to change the U.S. interest rate policy which encourages speculation.

Regarding the $9-billion Brazilian debt with France, Mitterrand accepted the idea of receiving payment in goods, as Brazil did after the Second World War.

[Begin reporter Vera Lucia recording] During his visit to Sao Paulo, President Mitterrand presented two solutions to the Brazilian foreign debt problem: His first suggestion is that our more than $8-billion debt with France (which represents 8 percent of our total foreign debt) be paid through more exports, despite the fact that this would increase the French trade balance deficit and Brazilian profits which amount to 5 billion French francs. Regarding the total Brazilian foreign debt, Mitterrand considered renegotiation as a possibility, with repayment to be within 15 or more years.

Mitterrand's statements were made during a meeting be held with Sao Paulo businessmen in the Sao Paulo Industrial Federation headquarters. Albano Franco, president of the national industrial confederation, acted as Mitterrand's spokesman [as heard] and conveyed the French president's suggestions to the journalists who asked if Francois Mitterrand is the personal creditor of our total foreign debt, to which Albano Franco replied that Mitterrand is not, although he does have great influence over bankers. [end recording]

Regrets Nicaraguan Situation

PY182250 Paris AFP in Spanish 1910 GMT 18 Oct 85

[By Yves Heller]

[Text] Recife, Brazil, 18 Oct (AFP) -- French President Francois Mitterrand stated in Recife today that the suppression of public liberties in Nicaragua is reproachable, and added that the responsibility for this situation falls upon the authorities from Managua and from the western countries as well.

This is happening (in Nicaragua) as predicted. After all, everyone makes mistakes, Mitterrand stated at a press conference he granted to close his 5-day visit to Brazil. When only extreme positions can be voiced, tensions that could have been avoided build up, as is the case in Nicaragua, and these tensions are in themselves reproachable, Mitterrand stated. Everyone ends up in error: some Western countries by having participated in an attempt to smother a natural movement, and the Nicaraguan leaders by getting carried away...this is a well known process. Nevertheless, we still hope that reason will prevail, and France will contribute as much as possible to achieve peace, Mitterrand added.

According to Mitterrand, the pacification of Latin American conflicts will be achieved only through a better understanding of the legitimate aspirations of the Central American peoples, and also by refusing to contribute to any system that may suppress liberties. I think the West's first contribution was to liberate these peoples from the financial and economic oligarchies and from the bloody dictatorships that are affecting them. The moment Western countries contribute to smothering the peoples' natural movement, these peoples look for help elsewhere or surrender to despair, Mitterrand stated. One extreme calls the other extreme names, and the East-West conflict begins where it has no business being... without democracy and national, economic, and political independence there will be no peace in this region, Mitterrand explained, making special reference to the Central American situation a few hours before his departure for Colombia.

Regarding the Brazilian foreign debt, Mitterrand stated that Brazil cannot escape from that debt, but he believes that it cannot pay it under the current conditions. Brazil obviously intends to negotiate other terms instead of a simple reimbursement... Brazil is dealing with this problem very deftly and courageously. France can be politically more open than others. We say yes to the necessary solution, but not to despair, Mitterrand concluded.

Condemns S. African Execution

LD182129 Paris Domestic Service in French 1800 GMT 18 Oct 85

[Text] President Mitterrand is now in Recife, where he ends his visit to Brazil before leaving for Colombia. President Mitterrand has condemned Benjamin Moloise's execution. Francois Mitterrand was interviewed by Bernard Valette:

[Begin Mitterrand recording] Our External Relations Minister Roland Dumas intervened to try to save this man by pointing out that his execution could only worsen the already very difficult state of our relations with South Africa. I believe, as the head of state of a country which has abolished the death sentence, that from all points of view this execution is a great shame for civilization. [end recording]

Departs for Colombia

PY181958 Paris AFP in Spanish 1942 GMT 18 Oct 85

[Text] Recife, 18 Oct (AFP) -- French President Francois Mitterrand departed this city, capital of Pernambuco State and the last stopover of his official 5-day trip to Brazil, at 1600 local time (1900 GMT). The president left for Bogota on board the presidential Concorde. This morning the president arrived in Recife from Sao Paulo. He visited the old neighborhood of Olinda and held a press conference after lunching with Pernambuco State Governor Roberto Magalhaes. Francois Mitterrand will pay a 2-day visit to Colombia.

FOREIGN MINISTRY CONDEMNS S. AFRICAN EXECUTION

PY200159 Paris AFP in Spanish 2120 GMT 19 Oct 85

[Text] Brasilia, Oct 19 (AFP) -- The Brazilian Government in a communique issued here today by the Foreign Ministry vehemently condemned the execution on Friday in Pretoria of South African poet Benjamin Moloise. Itamaraty added that Moloise's death appears to be a new act of brutality against the black majority of South Africa and a demonstration of indifference to the outcry of world public opinion.

DIPLOMATIC, COMMERCIAL TIES WITH CUBA TO RESUME

PY192328 Sao Paulo FOLHA SAO PAULO in PORTUGESE 19 Oct 85 p 7

[By Emerson Sousa]

[Text] Brazil is going to resume diplomatic and commercial relations with Cuba. This decision has already been made by President Jose Sarney after listening to the National Security Council, a body comprising all the ministers of state. The Brazilian head of state is only waiting for an opportune moment to formally make the announcement. Relations could be resumed within the next 30 days, when the president holds his next meeting at Itamaraty, on a date yet to be set.

In order to reach this decision, President Sarney consulted all the ministers of state in writing. The president made this consultation based on a lengthy report by the Foreign Relations Ministry in which Foreign Minister Olavo Setubal voiced his support for the resumption of relations between the two countries. Until September most of the members of the council had still not submitted their positions on this issue to the Planalto Palace.

The document was thoroughly analyzed at Planalto Palace by the military cabinet. General Ruben Bayma Denys, head of the military cabinet, is also secretary general of the National Security Council. It is also known that the military cabinet favors the resumption of relations between Brasilia and Havana, although some military sectors still have reservations regarding rapprochement between the two countries.

According to Planalto Palace, the opposition of these military men stems only from concern about the presence of Cuban troops in Angola, Africa, and not from a fear that Cuba might export guerrilla activity, a phantom that has existed in the past. It is thought that Cuban troops in Angolan territory represent an obstacle to the Brazilian plan of maintaining the South Atlantic as a demilitarized and peaceful area.

On the other hand, the sector that supports the resumption of ties with Cuba has noted that even during the 21 years during which these relations have been cut off, Brazil and Cuba jointly participated in international forums that dealt with subjects of common interest. An example of this is sugar. Throughout the years, during the meetings held by the so-called ABC group formed by Australia, Brazil and Cuba (the three largest sugar exporter countries), Brazil and Cuba have defended the same positions.

This week in Geneva, Uruguay formally resumed ties with Cuba; the diplomatic and commercial relations between these countries had been broken since 8 September 1964. For some cabinets of the Planalto Palace, the Uruguayan decision has no direct influence on the steps that Brazil should take in this regard. However, the members of these cabinets admit that the government of the New Republic will remain at least in an awkward position regarding the rest of the countries of the continent if it does not decide to resume relations with Havana.

PRESIDENT EVALUATES SITUATION, SAYS WORST OVER

PY191444 Sao Paulo Radio Bandeirantes Network in Portuguese 1000 GMT 19 Oct 85

[Text] President Jose Sarney yesterday granted his first press conference to the reporters accredited to Government House. He made an evaluation of his first 7 months in government and was (?optimistic). He told journalist Alicia Marques that the worst has already passed and added the following:

[Begin recording] We have overcome the most difficult period which was that of consolidation and transition to democracy and civilian power. Our current national (?economic indicators) are very optimistic about our national capability and potential. [end recording]

AMX FIGHTER-BOMBER MAKES FIRST TEST FLIGHT

PY181836 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 17 Oct 85 p 10

[By Roberto Godoy]

[Excerpts] Surrounded by security and secrecy, the AMX, the most advanced Brazilian military aircraft, made its first test flight yesterday afternoon at Embraer [Brazilian Aeronautics Company] in Sao Jose dos Campos exactly 1 week before the presentation of the aircraft to President Sarney and its first official flight.

The fighter-bomber, which was painted in the colors of the FAB [Brazilian Air Force] and of the binational consortium which builds the aircraft, was parked at the end of Runway 15 of the Aerospace Technology Center [CTA]. Luiz Fernando Cabral, the company's test pilot, was in command. A few minutes later the fighter rolled down the concrete runway, driven by its noisy jet engine. The test flight lasted approximately 1 hour.

Luiz Fernando Cabral was also the first Brazilian pilot to fly the Italian-Brazilian jet in Turin just over 3 months ago. On that occasion he tested the second prototype of the series and then the third. Yesterday he tested the fourth prototype and the first built in Brazil by Embraer (the second prototype will be delivered for approval in April 1986). The consortium is headed by Aeritalia, owning 46 percent, Embraer with 30 percent. The Brazilian company will invest $600 million in the construction stage to be able to export the jet.

The AMX is a subsonic fighter-bomber that flies around 1,100 km an hour with a range of 2,000 km. The airplane's external features (additional tanks, missiles, bombs, rockets) total 2,720 kg, and when fully armed it can attack targets 450 km away. The jet also has a special armored plating, digital computers, and sophisticated ECM (electronic counter measures) equipment, guaranteeing the survival of the airplane at high speeds and low altitude. The jet engine is a Rolls Royce MK-807 "Spey" and 30 percent of its components will be made in Brazil by Industria Selme of Rio de Janeiro. After yesterday's flight, everything is ready for the jet's inauguration on 22 October at 1500.

U.S. AIR FORCE 'INTERESTED' IN BUYING TUCANOS

PY181658 Sao Paulo Radio Bandeirantes Network in Portuguese 1000 GMT 18 Oct 85

[Text] Brazil and Italy will create a joint company to sell the AMX fighter-bomber. It will be called AMX International and its headquarters will be in London. An initial, capital investment of $2 million will be made.

Meanwhile, the Tucano training airplane has come one step closer to being selected by the U.S. Air Force. The Tucano was approved in preliminary tests conducted by the U.S. officers in Sao Jose dos Campos. A new series of tests will be done in the United States. The Americans are interested in buying some 500 or 600 Tucano aircraft.

SANTIAGO ESCAPE ATTEMPT LEADS TO SHOOTOUT

PY182146 Paris AFP in Spanish 2124 GMT 18 Oct 85

[Text] Santiago, 18 Oct (AFP) -- An intense shootout took place this afternoon at Santiago Prison, where hundreds of prisoners were plunged into an atmosphere of general alarm due to an attempted escape by some inmates, according to reliable prison sources. Among the prison's inmates are union leader Rodolfo Seguel and several other union leaders imprisoned 3 weeks ago on charges of promoting subversion against General Augusto Pinochet's regime. However, the union leaders were taken out of the penitentiary under fire and removed to another prison, the sources explained.

The shootout began after 1700 local time (2000 GMT), when the prison guards caught a group of inmates trying to escape. However, shooting continued 1 hour after the attempted escape was discovered, and AFP correspondents saw at least two wounded people leaving the prison on stretchers. There is a heavy police cordon around the prison, deployed amid ambulance sirens, and a helicopter is flying over the prison. Prison guards have reported that the ringleaders of the riot are holding several prison guards as hostages.

Death Toll At Six

PY190041 Paris AFP in Spanish 0003 GMT 19 Oct 85

[Text] Santiago, 18 Oct (AFP) -- It was officially reported tonight that as a result of today's bloody riot, which took place in Santiago penitentiary when dozens of prisoners mutinied and maintained a fierce shootout with prison guards and security agents, 6 people were killed and 25 were injured.

Carabineros Inspector Emilio Alfaro Parra reported that the riot was staged by the most dangerous inmate of the prison, who seized prison guard Arnoldo Parra as hostage and later killed him. During the shootout, five inmates who belonged to the so-called crime syndicate were killed, according to a high-ranking Carabinero source.

Union Leaders Reported Safe

PY190110 Santiago Radio Chilena in Spanish 2200 GMT 18 Oct 85

[By Mario Reimer]

[Excerpt] We also had the opportunity to talk with Ricardo Hermazabal, leader of the bank employees, who told us that the union leaders [Rodolfo Seguel, Manuel Bustos, and others] are in good health, that they have suffered no injuries. This is the conversation we had with Hermazabal.

[Begin recording] [Hermazabal] As I was leaving, the incidents began. Fortunately, none of them have suffered any problems. I want to stress this for the peace of mind of their relatives. None of them has had any problem. They have not been beaten or been subjected to any kind of trouble. Their transfer to the Capuchino prison was a good decision. It separated them from a conflict and facilitated communication between them, their relatives and fellow workers.

[Unidentified reporter] What subjects have you discussed with them?

[Hermazabal] Well, we talked mainly about how they got through this situation, whether they had any problems. And I repeat, they have not suffered any physical harm, no problem at all. Second, we who are their friends know the extent of their morale and solid personalities. They are workers who have lived through difficult situations, and this incident has hardly affected them. They are in good spirits and eager to see their relatives and friends and, especially, to be free, as they deserve to be.

[Reporter] When will they be able to receive their first visitors?

[Hermazabal] Well, beginning tomorrow between 1100 and 1700, they will be able to receive their closest relatives and also have the opportunity to receive their fellow union leaders. I also hope to express our solidarity while we continue struggling for their release. [end recoring]

We want to add that Jose Ruiz di Giorgio will arrive here soon. He was not at the prison when the incidents began. He was reportedly taken to the court to participate in pending legal actions.

MIR Blamed

PY190124 Madrid EFE in Spanish 0052 GMT 19 Oct 85

[Text] Santiago, 18 Oct (EFE) -- Today's attempted prison break staged by members of the Movement of the Revolutionary Left (MIR) held at the Santiago penitentiary left 5 dead and 25 injured.

Among those killed was prison guard Arnoldo Parra Gutierrez, 31, who had been taken hostage by inmates of cell bloc No 6, which is reserved for highly dangerous prisoners, both common criminals and political and military opponents.

Six of these inmates, holding the hostage at gunpoint, managed to reach the street, wielding submachineguns and pistols that they had managed to put together inside the prison using steel pipes and other material. Upon being discovered by the prison guards stationed along the walls of the prison, the inmates killed their hostage, shooting him in the head, according to prison guard director Emilio Alfaro.

The ringleaders of the attempted prison break were Hugo Marchant Moya and Jorge Palma Donoso, two MIR members who are being tried for the killing of General Carol Urzua, former Santiago intendant. The two MIR members were wounded slightly in the shootout with the prison guards and security forces.

The director of the prison guards added that Victory Zuniga Arellano, also an MIR member, and inmates Justo Villarroel and Vivian Jelvez, as well as one more inmate not yet identified, were killed in the shootout. The attempted prison break, followed by a general riot of the inmates, started at 1600 local time (1900 GMT) and ended around 1900 local time (2300 GMT). In all, 14 inmates and 11 prison guards were wounded.

BRIEFS

ARMY APPOINTMENTS -- President Pinochet has approved the appointment of six new Army commanders, who will assume their positions in 1986. They are: Mayor General Jorge O'Ryan Balbontin, chief of staff; Brigadier General Alfredo Calderon Campusano, personnel director; Brig Gen Carlos Meirelles Muller, 1st Division Commander; Brig Gen Carlos Ojeda Vargas, Santiago Garrison commander; Brig Gen Jaime Gonzalez Vergara, 5th Division commander; and Brig Gen Rodrigo Sanchez Castilla, 7th Brigade commander. [Summary] [Santiago LA TERCERA DE LA HORA 10 Oct 85 p 7 PY]

FRANCE'S MITTERRAND MAKES OFFICIAL 3-DAY VISIT

Betancur Praises French Position

PA161355 Paris AFP in Spanish 1040 GMT 15 Oct 85

[By Daniel Priollet]

[Text] Bogota, 15 Oct (AFP) — Colombian President Belisario Betancur has praised France's role in the search for peace in Central America, but at the same time he criticized its nuclear tests in the Pacific Ocean in an exclusive interview with AFP on the eve of the visit by his French colleague, Francois Mitterrand.

"France has added its voice of support to the Contadora peace efforts and has mediated more than once in the rapprochement of the Central American countries. Its work has been very creative and opportune," said Betancur.

However, concerning the French nuclear tests in the South Pacific, he said that "we are concerned by every manifestation of the arms race. We want the huge amounts spent for sophisticated arms to be used in 'arming' peace, to consolidate it with the best prospects for understanding."

"We are following with displeasure the progress of the French nuclear tests in the Pacific, hoping that they will not affect the American Continent, the ocean itself, and the inhabitants of the regions closest to the site of the tests," he added.

"The honorable visit of President Mitterrand to Colombia is an auspicious occasion to establish effective bases for increased reciprocal cooperation, using history as a guide to make our understanding easier," Betancur said. He added that "in our diversity we have more areas of closeness than disagreement."

"Television and film agreements between Colombia and France will contribute not only to expanding education through the use of modern technology offered by electronics, but to strengthening knowledge between our peoples," he emphasized.

He cited the reestablishment of the French language as a compulsory subject in Colombian secondary education as one of a short time before Mitterrand's visit. He also cited the agreement of the third television network [not further identified] for the development of education through television, in which France will cooperate, and the agreement for the coproduction of movies that should be signed during the French president's visit.

On Latin America's foreign debt, Betancur said that "the good will that the industrialized countries can show, the justice and equality in the treatment of our products, raw materials, and prices, would be one of the bases for this hoped for solution."

"It is indispensable that the industrialized countries consider the consequences of a selfish attitude that would prevent our countries from dealing properly with our debt without sacrificing our own development. We, creditors and debtors alike, are now crewmembers of the same ship," he added.

Mitterrand Pre-Arrival Interview

PA171250 Bogota Television Service in Spanish 0000 GMT 16 Oct 85

[Part 1 of 2-part interview with French President Francois Mitterrand by Mauricio Gomez; date and place not given -- recorded; answers in French with superimposed Spanish translation]

[Text] [Gomez] Why are you coming to Colombia? What do you know about our country?

[Mitterrand] I have never been to Colombia. I have been to Brazil. I am going to Colombia because the Colombian president was kind enough to invite me. I also want to get to know the country, the history and culture which I already know something about. I think that relations between our countries fully justify the trip, which holds great interest for me, and I am sure it will be most pleasant. It will be a pleasure to get to know the Colombian people, for whom I wish prosperity.

[Gomez] Although Colombia's foreign debt is not one of the biggest in Latin America, our commercial balance with France is unfavorable. Do you think there is a possibility that France will buy some products from Colombia to try to improve our situation?

[Mitterrand] I am willing to hold talks along that line. If the Colombian authorities raise the issue, France, which appreciates its friendship with Colombia and has great respect for President Betancur, will discuss the proposals submitted. I will personally see that the commercial balance between our countries improves.

[Gomez] The Latin American countries are very worried about the foreign debt. It has been said that it is unpayable. How do you view the situation?

[Mitterrand] The problem is certainly causing much unrest among debtors and creditors. The debt problem is not affecting only Latin American countries. It has become a heavy burden on the economy of industrialized countries and on the banks and financial organizations that made the loans. The problem needs to be carefully analyzed. First of all, the debt must be paid. The creditors should make the conditions acceptable and feasible for the debtors, especially for the countries that have made technological, scientific, and industrial progress but that in other aspects of their economy are still at the developing countries level.

The North-South relations, between industrialized and developing countries, are one of the major problems of our time. The creditor nations should carefully analyze the situation and take whatever steps necessary not to crush the developing countries so that they can maintain their development possibilities, which they already possess in their soil, subsoil, and above all in their intelligence. The industrialized countries should speed up this process in order to arrive at an economic balance. Meanwhile, the debtor countries should pay their debts, improve their administration, and for a limited time try to accept some form of regulation. But the industrialized countries should definitely not try to put a knife to the throats of the Latin American countries. It is up to the parties involved to find a way to solve the problem.

[Gomez] Colombia and the other members of the Contadora Group have been trying for some years to find a peaceful solution to the Central American problem. How do you view the situation today, compared to 4 years ago when you became president of France?

[Mitterrand] I recognize the work done by the Contadora Group. I admire their good judgement and courage. Above all, I appreciate their intelligent proposals for a solution to the problems. France has supported the Contadora Group proposals. I really have nothing more to say about this issue. I only hope that the Contadora Group succeeds in its efforts. As you recall, France and Mexico issued a joint declaration some time ago on the same problem. I am pleased to see that the Contadora Group and other countries of the region have assumed a more realistic attitude, because the problem stems from what the Central American people consider their legitimate aspirations. It is a problem of political and economic independence. The peoples of the region wish to reach a status enjoyed by the majority of Western European countries, which during the past century went through almost the same situation. When we look back, it seems to be a normal and just struggle waged by those countries. Why not apply the same standard for the Central American peoples, who are trying to establish a new status?

On several occasions I have told President Reagan that the Western world should support those revolutions instead of giving the impression of opposing them, of trying to isolate them. Under such circumstances those countries are forced to seek political, psychological, and military support elsewhere. When the situation gets very bad, everyone ends up being wrong, as has happened in most processes. In other words, we meddle more that we should. In such a case France proposes prudence. Contadora is acting prudently. We have relations with all the Central American countries, with Nicaragua, El Salvador, and all the others. We are not going to be dragged into the hellish situation of intolerance.

[Gomez] Do you think that France could contribute to bringing about a solution through Contadora, although some already say that Contadora has no future?

[Mitterrand] France is not going to replace any of the Contadora countries. First of all, we are geographically too far from Central America, and many political developments never reach our country at the right time. Although there are cultural links and other circumstances contributing to our relations, the truth is that France cannot play a decisive role in the region. France can act as counselor. France can participate together with other countries, Spain for instance, on behalf of the European countries, to support the Central American countries' just and legitimate demands for freedom and autonomy. France can try to prevent their being dragged into the East-West conflict. We have seen local conflicts here and in other parts of the world -- the Middle East and South Africa -- become long-lasting regional conflicts. The big powers start meddling, and in the end they are the ones making the decisions. This is something that must be prevented. Such is the case of Nicaragua. I hope we are in time to prevent it from happening.

France's participation will be primarily to try to understand the situation and secondly to try to help these peoples who are trying to solve their problems. The proposals made by the Contadora Group could be implemented. Politically, historically, and geographically, the Contadora countries and other Latin American countries are part of the same world, they speak the same language, they have the same culture; what better reason to try to solve their own problems? France will support the decisions made by these countries.

Interview, Part 2

PA190325 Bogota Television Service in Spanish 0000 GMT 17 Oct 85

[Part 2 of a 2-part interview with French President Francois Mitterrand by Mauricio Gomez; date and place not given -- recorded; answers in French with superimposed Spanish translation]

[Text] [Gomez] As a journalist I would not be forgiven if I did not ask you, the only Western leader who has met with the Soviet leader, the following: How do you view the chances for success during the Geneva talks, after your talks with him?

[Mitterrand] I do not wish to suggest that one meeting -- although a lengthy one as I met with Mr Gorbachev for about 5 hours and we held lengthier talks than our ministers -- enables me to decipher the future so as to be able to foresee what will happen in Geneva once Mr Gorbachev and Mr Reagan meet.

I can better appreciate the Soviet disposition, and I can better understand the eventual points of agreement, but will there be the political will to reach an agreement in November? (?Yes), no doubt (?there is the) political will to reach an agreement, but I doubt that all elements will have been put together by November. Rather, it seems to me that contact will be made, which will make it possible to outline certain general guidelines. As you know, Mr Gorbachev is proposing a 50-percent reduction in strategic arms. Both the Soviet Union and the United States have many nuclear warheads -- about 2,000 -- compared with Great Britain and France, which have between 100 and 200. One can feel the difference. This is enough for France though; we do not want much more. All the same, we cannot compare. Gorbachev's bold request for a 50-percent reduction is accompanied by a resolutory clause: The United States must give up what is commonly known as "star wars." The way the problem has been presented does not allow one to believe it can be resolved, but one can already view the possibility that an accord might be reached, not immediately, but after more talks on a middle point. I could not define that point, first of all because that is not my role, and even if I could I would not do so. Not because I want to act mysteriously, but because on the one hand I would be afraid to make a mistake, and on the other it would be very annoying for France to seem to be intervening in a negotiation in which it is not a participant and in which it does not wish to participate.

Mr Gorbachev's main concern is undoubtedly the problem of space, its militarization, and, let us say, the possibility of having devices and antiballistic missiles in space, as this represents a new dimension of the excessive arms buildup. It is normal for both small and large countries to seek first to dedicate most of their resources to fighting the economic crisis and improving purchasing power. This excessive arms buildup of indefinite duration is extremely harmful to the world's future. It would be better to dedicate a part of the amounts currently invested to purchase weapons to development, and development begins with the European peoples, who must still make progress.

Everything points to an agreement, but for the last 40 years, step by step, the two superpowers have been climbing the (?gold) staircase to reach space.

I believe in the common sense of the two heads of state who will meet. I count on their desire for peace. That is their interest. Although I do not believe that November will represent a break between yesterday and tomorrow, I believe it is the beginning of a move in the right direction that will take place in the coming months and years.

[Gomez] France has been a leader in space research. As president of France, how do you imagine space in the year 2000, now that it is only 15 years away? What objects will be found there? What activities will be taking place in space?

[Mitterrand] The only thing I know is that in 15 years and beyond there will be no military forces with satellites around the planet capable of (?staving off) an aggression from an adversary on either side of the Atlantic. In other words, "star wars" will not replace nuclear war within the next 30 or 40 years. Instead, we may witness a parallel development of these two types of weapons.

Without engaging in futurism, I think that by the end of the century there will be several inhabited stations in orbit. As you know, I have said I would like the Western European community to have an inhabited station. The French can manufacture a space vehicle with characteristics taken from atmospheric aviation: the Hermes, which can transport platforms to space, repair what needs repairing, transmit what needs transmitting, return to earth, and leave again. That will be possible thanks to the fifth version of the Arianne rocket. We have already developed the design for this extraordinary invention. We are not alone. Others have the means to conquer space.

Yes, I think that in space man benefits from these ultramodern technologies through the communications media and through observation and knowledge. This will be, (?I do not wish to say banal), but viewed as the advance of science and technology, as put into practice during the initial years of the next century. That is what interests me. With regard to the missiles, weapons, and explosives (?that have passed along) I would rather think: (?What will there not be?) In the event they do exist at the time, I would wish for international control to limit their scope and effects.

[Gomez] I think people in Colombia also want to learn about some of your own impressions of your administration. For instance, before becoming president, in your book "Ici et Maintenant," you said that your political life would triumph if socialism were reestablished in France. Some say you have followed a more centrist policy. Has the reestablishment of socialism been more difficult than you had thought?

[Mitterrand] I do not know what you are talking about. What I do know is that the government I have led has carried out the biggest economic, social, and cultural transformations that France has known since the Republic was created. As regards our generation and this government, we have done more than ever before in the history of the French Republic. Centrist? what does that mean? We have done this with the left, the entire French left, and if today the Communist Party has moved away from this majority, even to the point of being opposition, we are not to blame. They stopped in the middle of the road; the effort undoubtedly seemed very exhausting, but we have continued.

Our reforms include expanding the scope of activities of the nationalized industries, and we have been successful. Prior to nationalization, privately-owned concerns were not only warring among themselves but were on the verge of bankruptcy, yet today they are profitable.

We have nationalized all credit. There are not many democratic countries in the world where this has been done. There are not that many. We have carried out the most important structural reform since Napoleon I, that is, the decentralization of France. That had never been done. We have modified the workers' rights; discussion and dialogue are now required everywhere. Do you really think that is centrist? Then I do not know what needs to be done. In any event, it was not the center who voted this, it even voted against this. It is easy to say: "Oh, the socialists. What were they expecting from socialist? We are not socialists with an affinity for Marxism-Leninism. That is not our doctrine, and we have not sought to impose on the French people a break with their democratic tradition.

We are fully aware that sometimes history advances in large steps, which is what we did in 1981, and later it does so at a pace that enables the people to assimilate the reforms. Naturally, any political experience entails imperfections and sometimes even failures. No political effort is ever as pure as pure spirits; it is everyday life with its struggles and competitions, yes, but all in all we have advanced in such a way that in the future we will not be able to regress. I have other projects, other ideas, but I need some time to carry them out.

In any event, before concluding I would like to tell you that although I am very interested in France's political, economic, social, and cultural future, I am also very interested in your country's developments, naturally without getting involved in Colombian domestic policy issues, as that is not my role. I respect your country's democracy too much to interfere in those issues. But you do have a president whose prestige is great and who has on many occasions shown true friendship toward France. I know that both the Colombian Government and people have wanted the French language and culture to be deeply anchored in your customs and institutions, and I am deeply grateful to those who have wanted it to be this way. To them I send a friendly greeting.

Betancur Welcomes Mitterrand

PA190419 Bogota Television Service in Spanish 0000 GMT 19 Oct 85

[Text] French President Francois Mitterrand arrived in Bogota tonight aboard the Concorde. We stand for common fundamental principles, President Mitterrand said in response to President Belisario Betancur's welcoming speech. The two heads of state are holding a private meeting at this moment. Mitterrand will return to France on Sunday, but before then he will visit Medellin and Cartagena.

Charles De Gaulle was the first French president to visit Colombia. He came in 1961 and delivered a speech to Congress. Mitterrand has arrived 28 years later aboard the Concorde. He will spend 3 days in our country, where he will visit Cartagena and Medellin. He and Betancur will discuss matters of commercial and cultural interest to both countries.

Mitterrand was received with a 21-gun salute. He is accompanied by 4 ministers, his wife, and a team of newsmen, 150 in all.

The two presidents delivered short speeches at the airport. President Betancur referred to Central America's peace problems and to the efforts of the Contadora Group -- which also includes Venezuela, Mexico, and Panama -- for peace in the region.

President Mitterrand said that although France is far from Central America, it is following with utmost interest the Contadora Group's efforts on behalf of peace in the region.

Mitterrand Condemns Nicaraguan Measures

PA202301 Madrid EFE in Spanish 2156 GMT 20 Oct 85

[By Roberto Rojas Monroy]

[Excerpts] Cartagena de Indias (Colombia), 20 Oct (EFE) -- French President Francois Mitterrand and Colombian President Belisario Betancur analyzed here today the world situation within the framework of a visit to Colombia by the French head of state.

With President Betancur, President Mitterrand studied the Central American situation and reiterated the French position regarding Contadora's peacemaking efforts, condemned terrorism, and expressed the support his country will offer to a Colombian proposal on the control of drug trafficking at the world level and to the signing of a ban on nuclear weapons.

Following the signing by the two governments of trade, economic and cultural agreements for the exchange of technology, especially in the areas of cinematography and television, the two presidents held a news conference at the Cetsemani Convention Center in this Colombian city on the Caribbean coast.

On the last day of his official 3-day visit to Colombia, Mitterrand strongly condemned the state of emergency imposed by the Sandinist government to confront its internal situation and expressed the hope that Nicaragua will achieve its desire for democracy and a free state.

"My country supported a legitimate struggle in Nicaragua against a known dictatorship and urged the Western world to fully understand the new situation of Central America," Mitterrand said.

The French president reiterated his support for Contadora's peacemaking efforts and said that so long as this organization is active, it would not be wise for other countries to intervene.

Regarding the arms race, specifically nuclear weapons, Mitterrand said that France is willing to sign an agreement banning their use. Mitterrand complained that this country is the only one being accused of nuclear detonation testing, when the USSR and the United States also carry out similar tests.

After the news conference, the two presidents, who refrained from issuing a final declaration, left the convention center and went to the Manzanillo guesthouse, where they held one of the last of their private meetings.

Supports Contadora Group

LD211037 Paris International Service in French 0800 GMT 21 Oct 85

[Text] The head of state returns to Paris this morning after visiting Brazil and Colombia, two countries that greatly appreciate France's attitude toward the main problems of Latin America, beginning with the debt. Francois Mitterrand, who paid homage to the return to democracy in Brazil and the peace process begun by President Betancur in Colombia, preached dialogue and sharing the burden of the external debt, which he called the main guarantee of a stable peace in Latin America.

On the other hand, commercial discussions with Brasilia and Bogota were much more weighty, since there are constant complaints about protectionism by the European Economic Community and France in particular in markets like sugar and meat.

We also note during this presidential visit Mitterrand's repeated support for the negotiated peace process in Latin America begun by the Contadora Group. Listen to the president of the Republic speaking into the microphone of Marie-France Chatain yesterday evening in Bogota:

[Begin recording] I have always thought that every long-lasting local or regional conflict evolves from being taken out of the realm of the parties involved and finally falling into the area of East-West conflict. This is what one must always try to avoid. From the moment when East-West poles of pressure are beginning to be established, the United Nations' tribune, which remains a good tribune and which France supports, is subjected to diplomatic poles of pressure. Thus, if one wants to achieve things at the United Nations, the right of veto must not be used. Finally, I consider it wise for France to help in the constant efforts of the Contadora Group, which has been joined by the Lima group, that is Brazil, Argentina, Uruguay, and Peru. But I think that so long as the possibilities have not been exhausted, and there is no reason to think they have been, it would not be wise for France to intervene further. [end recording]

UP ASKS GOVERNMENT TO RESUME DIALOGUE WITH M-19

PA180258 Bogota EL TIEMPO in Spanish 8 Oct 85 p 3-A

[By Jorge Parga Vanegas]

[Excerpt] Neiva, 7 Oct -- The Patriotic Unity [UP] has asked President Belisario Betancur to resume a dialogue with the 19 April Movement [M-19] to search for political solutions that will stop "bloodbath" which is currently taking place in the departments of Valle del Cauca and Tolima. It also criticized the minister of defense for saying that the country is "at war."

The proposal was made here by Ivan Marquez of the UP national command, who spoke before a large crowd at the Santander Park in this city during the official launching of the political campaign of this movement in Huila Department.

"We do not want innocent blood to continue to be shed in Colombia. We do not want the mothers of our fatherland to continue shedding tears over this fratricidal struggle involving us," the UP spokesman said.

Marquez described as "terrible" the statements made in Cartagena by Defense Minister General Miguel Vega Uribe to the effect that our country is at war and wondered: "What would happen if the guerrilla movements of the FARC [Revolutionary Armed Forces of Colombia], Workers Self-Defense, and the EPL [Popular Liberation Army] were not observing a truce right now?"

He emphasized that it is a great advantage that there are guerrilla movements in Colombia that still respect the agreements made with the government in a search for peace.

The UP leader stressed in his proposal that the government must establish the mechanisms that will lead once again to talks with the M-19 to try to find peaceful solutions to this conflict which is bleeding Colombians.

Warns Clashes Hinder Process

PA181448 Bogota EL TIEMPO in Spanish 11 Oct 85 p 3-A

[By Jorge Parga Vanegas]

[Text] Neiva, 10 Oct -- The Patriotic Union (UP) has reported that close to 30 FARC [Revolutionary Armed Forces of Colombia] rebels were killed in Huila Department over the past 6 months in the course of counterinsurgency operations and announced its intention to continue the UP's political activities within constitutional order.

The movement's coordinator, Eduardo Gutierrez Arias, called for the suspension of the military operations underway in southern Huila and demanded an explanation from the government on those developments, which he said violate the truce agreements of La Uribe.

The UP reiterated its proposal to Huila's political leaders to create a multipartisan committee to ensure that the electoral campaign develops along the lines of dignity, civilized debate, and with equal guarantees for all parties involved. It warned that a prolongation of guerrilla-Army clashes will jeopardize the peace process, which FARC has firmly supported by respecting the truce agreements, as all sectors of Colombian society can attest.

Gutierrez Arias said that before dawn on Wednesday an operation with 1,000 troops was launched against the FARC's 13th Front, stationed in Bota Caucana, a community on the border between Huila and Cauca Departments.

He said that the developments in Villalobos imply bloodshed, regardless of whether it is soldiers' or guerrillas' blood that is spilt.

The UP released a statement approved during its recent departmental convention which indicates that it is open to the formation of alliances, agreements, or pacts with all sectors intent on guaranteeing the continuity of the peace process and the democratic opening.

The group set forth that it seeks the attainment of development with social justice, which will allow Huila Department -- a department processing rich energy resources and offering ample opportunities for agricultural development -- to achieve economic recovery and solve its acute employment, housing, health, and education problems.

PRESIDENT CRITICIZES NICARAGUAN GOVERNMENT ACTIONS

PA191421 Quito Voz de los Andes in Spanish 1130 GMT 18 Oct 85

[Text] During a speech at the opening session to commemorate another anniversary of the Ecuadoran Association of Radio Broadcasters, President Leon Febres Cordero said: Our country enjoys full freedom of the press. The president made several statements on international policy and stressed that he will never accept offenses against Ecuador's dignity, sovereignty, and independence.

[Begin Febres Cordero recording] In defense of our national dignity, I again assert that we could not overlook the outrage plotted against us, not only because of the seriousness of the offense but also because it originated with someone who does not represent those who fought for the revolution, someone who today invokes the name of Sandino. Today, Sandino's most important leaders form part of the opposition and are persecuted.

The outrage is serious because it originated with someone who only yesterday -- as it was broadcast through the news media -- eliminated the freedoms that still remained, putting, as he said, the noble Nicaraguan people under the dominion of a military dictatorship for 1 year and thereby clearly demonstrating that there are people who do not put up with lies, the great farce whose veil finally begins to be removed for the good of democracy in America. Rest assured that we will always be solely interested in our nation's sovereign dignity and the high values we have succeeded in achieving and upholding at the expense of a long history of courage.

The local traitors have not understood this. They have even maintained the nonsensical position that our country, Ecuador, is the offender. They have come forth to defend him who, less than 24 hours ago, put an end in his country to freedom of the press, the freedom to meet, and the right to strike, demonstrate, and communicate. He suspended the natural right of the habeas corpus, the right to circulate freely, the minimum rights of those accused, and any remaining vestige of democracy. All of these are brutal measures that even affect the Nicaraguan church, which has announced the need to use its podiums to defend the freedoms unfortunately violated today. [end recording]

Condemns 'Traitors'

PA191910 Paris AFP in Spanish 2308 GMT 18 Oct 85

[Text] Quito, 18 Oct (AFP) -- For the second consecutive day, President Leon Febres Cordero today harshly criticized the Nicaraguan Sandinist regime and those in Ecuador who have rejected the break in diplomatic relations. Febres Cordero expressed thanks for the support "in rejecting the offense by a foreign government that in addition to betraying its own revolution, has felt it has the right to insult those who do not accept its dictatorship of violence and terror."

Ecuador broke diplomatic and consular relations with Nicaragua 1 week ago after Daniel Ortega vigorously replied to Feberes Cordero's statement that "free elections in Nicaragua" are needed as a step towards Central American peace.

In a speech in Portoviejo, 380 km southwest of Quito, on the occasion of the anniversary of its political independence, the president said that all of the Ecuadoran people "stand up when it is a matter of defending honor and freedom."

"There can be no Ecuadorean, with the exception of traitors, who argues in favor of those who, just a few hours ago, violated freedoms, carrying out the barbarity of persecuting religion merely because it does not agree with their atrocities," said Febres Cordero. The Ecuadoran president also said that his administration will always be against the governments that crush freedom and dignity "because our origins are based on popular will, respect for laws, and the protection of the inherent rights of human beings."

"Only traitors can come out in defense of oppressors and criticize the national government blinded by their sectarianism and their hatreds," Febres Cordero stressed.

'No Room For Mediation'

PA191848 Hamburg DPA in Spanish 1816 GMT 19 Oct 25

[Text] Quito, 19 Oct (DPA) -- President Leon Febres Cordero today discarded the possibility of mediation between Ecuador and Nicaragua following the break in relations 1 week ago "because in this case there is no room for mediation." When asked what should be done to renew relations between his government and the Managua regime, relations that were broken following a strong exchange of accusations between Presidents Febres Cordero and Daniel Ortega, the Ecuadoran president stated: "We don't want them to apologize, either." He added: "In this case, the only suitable action would be the restoration of liberty and democracy for the Nicaraguan people."

Febres also said: "I know nothing" about an alleged effort by Cuban President Fidel Castro to mediate between Ecuador and Nicaragua to try to renew relations.

This is the third time in 72 hours that the Ecuadoran president has referred to the Nicaragua case. On all occasions, he has accused the Sandinist regime of having "suppressed the few remaining liberties" and of having "eliminated all traces of democracy" in Nicaragua.

PRC GRANTS $5-MILLION CREDIT FOR BILATERAL TRADE

PA170038 Quito Radio Quito in Spanish 2300 GMT 14 Oct 85

[Text] The PRC has granted a $5-million loan to Ecuador. It will be used to finance bilateral trade operations. The credit has been granted without interest or commissions for a 10-year period beginning in 1988. It will be paid with national export merchandise.

CENTRAL BANK MANAGER ON OFFICIAL VISIT TO PRC

PA171719 Quito Voz de los Andes in Spanish 2330 GMT 16 Oct 85

[Text] Ecuador Central Bank Manager Carlos Julio Emanuel Moran, who is on an official visit to Beijing, met there with Li Ke, assistant foreign minister of the PRC, and with Chen Muhua, president of the People's Bank of China and councilor to the Chinese State Council. Emanuel Moran confirmed Ecuador's invitation to the PRC to send a delegation to the OLADE investment forum to take place in Quito from 18-22 November. He discussed important aspects of the two nations' monetary policies with Mrs Muhua, inviting the ranking Chinese official to visit Ecuador at her convenience.

PRIME MINISTER RETURNS FROM SEOUL, TOKYO

PY172141 Madrid EFE in Spanish 1821 GMT 17 Oct 85

[Text] Lima, 17 Oct (EFE) -- Luis Alva Castro, Peruvian prime minister and economy minister, last night returned to Lima from Seoul, where he attended an IMF meeting, and from Tokyo, where he met with Japanese bankers.

Alva said that in Seoul he had conveyed Peruvian President Alan Garcia's ideas and the Peruvian position on the current unjust international economic order and the need to reform the world monetary system. Alva added he had repeated the position outlined by President Alan Garcia at the United Nations on 23 September regarding the $14-billion Peruvian foreign debt, that is, that Peru will deal directly with its creditors, that it will dispense with the IMF, and that its foreign debt payments will not exceed 10 percent of the Peruvian export revenues. Alva added that he had also reaffirmed the Peruvian Government's willingness to take part in comprehensive dialogues in which Peru would discuss its views at length.

Alva said he had met with representatives of 23 of Peru's creditor banks in Tokyo, which had expressed great interest in the Peruvian proposals. Alva said: We were well-received by the bankers, who were exceptionally receptive to our position and who largely agreed with it. Alva added: This will help Peru to keep the prestige it has always enjoyed in international financial circles. Alva said he could not give further details until he had briefed President Alan Garcia and the Council of Ministers on the Seoul IMF meeting and on his talks with the Japanese bankers.

Says IMF Position Respected

PY181850 Lima Television Service in Spanish 0100 GMT 18 Oct 85

[Excerpts] Prime Minister Luis Alva Castro today thoroughly briefed the president of the Republic on his activities abroad. The prime minister stated the Peru's voice was heard in Seoul and that he took a very clear stand regarding the IMF formulas.

[Begin Alva Castro recording] We stated that we will not accept -- and, in fact, I now reiterate this once more -- any mediation by the IMF. Furthermore, we will not receive any IMF mission that comes to make any type of assessment in Peru. The Peruvian image has truly returned to the level desired by all Peruvians. Peru is now respected and listened to. It is known now that Peru is making its own sovereign decisions. These decisions are being respected now. All Peruvians are being heard. In this case we, those who went [to Seoul] representing the Peruvian Government, were listened to. Our proposals were heard. The intention and the decision by the Peruvian Government to deal directly with creditors without IMF mediation has been respected. [End recording]

MINISTER ATALA DEPARTS FOR INDIA, USSR, JAPAN

PY121555 Lima Radio Programas del Peru in Spanish 1645 GMT 11 Oct 85

[Text] Transportation and Communications Minister Jose Murgia has been appointed acting minister of industry, tourism and integration during the absence of Minister Cesar Atala Nazzal, who has departed on a working tour that will take him to India, Japan and the Soviet Union.

FOREIGN MINISTER ON RESUMPTION OF CUBA TIES

PY190015 Paris AFP in Spanish 1618 GMT 18 Oct 85

[Excerpt] Montevideo, 18 Oct (AFP) -- The resumption of diplomatic relations between Uruguay and Cuba yesterday is not an ideological move by the Montevideo government, it only reflects the government's intent to establish a foreign policy without borderlines, Foreign Minister Enrique Iglesias pointed out. The chief Uruguayan diplomat also said the distance separating us from the Cuban political, social, and economic system is well known, just like the differences we have or may have on foreign policy issues. That however is not an obstacle to us maintaining correct and friendly diplomatic relations and economic cooperation, just as with other states with which we have similar differences.

He recalled that diplomatic, consular, and trade relations between Uruguay and Cuba has been frozen for 21 years. The Uruguayan foreign minister asserted that with the resumption that was formally accomplished in Geneva, the Montevideo government signified its intention to implement an open foreign policy based on respect for the political system of each state.

'Unanimous Support' for Move

PY180154 Madrid EFE in Spanish 2221 GMT 17 Oct 85

[By Sixto Martinez]

[Excerpt] Montevideo, 17 Oct (EFE) -- Deputy Roberto Asiain, chairman of the foreign affairs committee of the ruling Colorado Party, has told EFE that the resumption of diplomatic relations with Cuba 21 years after they were discontinued is an expression of Uruguay's sovereignty. Asiain said that neither the U.S. nor the Cuban governments have at any time tried to pressure the Uruguayan Government in connection with its decision to resume relations with Havana.

The Uruguayan political parties, ranging from the Colorado to the leftist Broad Front coalition, today voiced their unanimous support for the decision. Asiain stressed that all the parties that won seats in congress were in total agreement with a report on the resumption of relations with Cuba that Foreign Minister Enrique Iglesias today submitted to the foreign affairs committees of the House and Senate. It is a wise decision because Uruguay should not take ideology into account in its diplomatic relations, Asiain said.

National Party leader Juan Raul Ferreira, who heads the Senate Foreign Affairs Committee, told EFE that today is a historic day because an unfair situation has been corrected and because the decision will open new trade prospects. Ferreira stressed that the Sanguinetti administration has fulfilled the promises made to the other parties in the area of foreign relations, building the state's foreign policy on the basis of a consensus.

Broad Front President General Liber Seregni told EFE that the resumption of relations with Cuba has legalized a situation that has always existed, because relations between the two nations have never been broken. Seregni added that the measure will benefit the two countries and the entire Latin American Continent.

Humberto Ciganda, president of the centrist Civic Union, said that even though he does not support the Cuban regime, he believes Uruguay should adopt an open foreign policy. We should respect each other in our relations, and we should work with our best faith to prevent any disturbance of those relations, Cigande said.

NICARAGUA'S ORTEGA ARRIVES FOR 6-HOUR VISIT

PA182002 Madrid EFE in Spanish 1942 GMT 18 Oct 85

[Text] Mexico City, 18 Oct (EFE) -- Nicaraguan President Daniel Ortega arrived in Mexico City today to discuss with Mexican President Miguel e la Madrid the evolution of the difficult political situation in Central America. The Nicaraguan president was greeted at the airport in the Mexican capital by Foreign Bernardo Sepulveda.

According to Nicaraguan diplomatic sources, the Sandinist commander travelled to Mexico to express the condolences of the Nicaraguan Government and people to President De la Madrid for the earthquake that devastated part of the country last September.

In a private meeting at the official Los Pinos residence, De la Madrid and Ortega analyzed the evolution of the Contadora Group's peace efforts, the political situation in Central America, and topics of bilateral interest, including the sending of Mexican oil to Managua, the sources added.

According to sources close to the Contadora Group, the presidential meeting may serve to broach the recent measures announced by the Sandinist government (the state of emergency). In the opinion of a Latin American diplomatic source, the actions Ortega's government are explicable but unfortunate, because they will hinder the discussion of some aspects of the Contadora peace document.

Ortega is accompanied by a small retinue including Foreign Minister Miguel D'Escoto. The Nicaraguan president's visit to Mexico will last 6 hours.

Meets With De la Madrid

PA182313 Mexico City XHDF Television Network in Spanish 1955 GMT 18 Oct 85

[Text] At noon today Mexican President Miguel de la Madrid received Nicaraguan President Daniel Ortega at the Los Pinos official residence. For 45 minutes the two heads of state talked about the Central American conflict and bilateral affairs. Ortega arrived at Los Pinos at 1200 sharp, accompanied by Edmundo Jarquin, Nicaraguan ambassador to Mexico. Mexican Foreign Secretary Bernardo Sepulveda was also present at the meeting, which was marked by a friendly, cordial dialogue, the main topic of which was the strengthening of peace in Latin America. Ortega made a technical stopover in Mexico City on his way to New York, where he will speak at the United Nations.

Holds News Conference

PA191637 Managua Domestic Service in Spanish 1441 GMT 19 Oct 85

[News conference held by Nicaraguan President Daniel Ortega in Mexico City on 18 October; questioners not identified -- recorded]

[Text] [Ortega] [Words indistinct] the Mexican people. We wanted to express our condolences to the relatives of the people who died in the earthquake. Today we expressed our condolences to the Mexican people personally through President Miguel de la Madrid. Nicaragua was moved by this tragedy, and it is sure that Mexico will overcome this tragic situation resulting from the earthquake. We will now answer your questions.

[Question indistinct]

[Ortega] As is well known, great efforts have been made for peace in the Central American region, but all of those efforts are confronting the political attitude of the U.S. Government. If we look at the culminating moments of the Contadora Group's efforts, when Contadora has proposed initiatives, we find that the U.S. Government has responded to each proposal or initiative by applauding the proposals with words on some occasions, but always in practice promoting new military actions in the region. For example, the Contadora initiatives have met U.S. military maneuvers that are announced immediately after Contadora makes a proposal. Just recently, after Contadora made efforts to propose a peace document for the discussion of the Central American countries, the U.S. Government replied by disbursing $27 million for the mercenary forces. It has sent the arms and supplies bought with the first disbursements in the United States to the mercenary forces in Honduras. The Honduran Government has even been forced to confiscate a shipment that arrived in that country. We do not think this is the way to respond. The U.S. Government responds to the Contadora proposals by ordering the CIA to launch terrorist attacks in our cities. Precisely the day before yesterday an entire terrorist plan was discovered. Several persons involved in these activities were arrested, and explosives were confiscated. They will be presented in the next few days.

Therefore, we can state that at this time the efforts for peace in Central America continue to be blocked by the U.S. Government's policy, even though the Central American peoples want peace, and we are sure that all of the Central American rulers also want peace.

[Question] Mr President, couldn't the state of emergency decreed by Nicaragua be used by the contras to fight the Sandinist government?

[Ortega] Well, the contras, as instruments of the U.S. Government, have been attacking the revolution for more than 4 years. When the elections were going to be held last year, the state of emergency was lifted. This did not help stop the aggression. On the contrary, the aggression continued. We are fighting the U.S. aggression with the combative effort of the Nicaraguan people; in other words, with the people's mobilization in the military defense of the revolution.

[Question] Mr President, doesn't the break in relations with Ecuador and the current situation in Nicaragua have a negative effect on the peace efforts of Contadora and the Nicaraguan Government?

[Ortega] I think the attitude of the Ecuadoran Government serously harms Latin American unity. It seriously harms the Latin American effort to achieve political and economic unity, to achieve unity in its demands for peace in Central America, and to achieve unity in its demands for new financial and economic relations. The Ecuadoran attitude in breaking relations with Nicaragua obviously does not help Latin American unity. We call on the Ecuadoran president to reconsider his attitude, to act like a real Latin American, and to respect the feelings of the Ecuadoran people, who oppose that policy. Nicaragua's situation, with this escalation of U.S. aggression that seeks to carry out new offensives after the mercenary forces have received blows, does not help peace. It does not help the Latin American position that is calling for peace.

[Question] Will the state of emergency be lifted?

[Ortega] The state of emergency is a necessary measure. We are the first to lament its implementation, but it has become a necessary medicine to combat the disease being transmitted by the United States, which means the death of thousands of Nicaraguans: women, children, and the elderly. The state of emergency will be lifted when the United States stops sending the disease; in other words, when the U.S. aggression stops, the state of emergency will automatically cease.

[Question] What reaction do you expect from the world? What reaction have you had in the last 2 days?

[Ortega] Well, there has been sincere concern from some governments that are friends of Nicaragua. There is also the false attitude of the U.S. Government, condemning the defensive measure adopted by the Nicaraguan Government. We are sure that, just as the governments that are friends of Nicaragua and that are sincerely concerned about the Central American situation have lamented the establishment of the state of emergency in our country, they are also aware of the situation of aggression that provokes this state of emergency. We hope that they will address the U.S. Government, which is the main cause of this situation, so that the U.S. Government will stop the aggression. Then we can lift the state of emergency.

[Question] What is the reason for your presence at the United Nations?

[Ortega] Well, we are taking a message from the Nicaraguan people. We must bear in mind that the Nicaraguan people are defending Latin America's interests [words indistinct].

[Question] What is the church's (?position) at this time?

[Ortega] Well, the church as such has freedom of action in our country. The religious feelings in our country are respected. We do not have problems with the church as such. But some members of the church make political speeches against the revolution, and they become involved in criminal activities against the revolution. Of course the law is applied to them, as in any country in the world.

I just want to add that the state of emergency that has been established in Nicaragua is one that does not prohibit political pluralism. It is a state of emergency that establishes a legal framework to defend the revolution. It does not prohibit the political activity of parties. If the political parties want to hold a demonstration, for example, they will have to request the appropriate permit. It is a state of emergency that has not established limits on the people's circulation. In other words, the people circulate any time, anywhere, without any kind of restrictions. It is a state of emergency that was established to control and combat those plotting against the Nicaraguan people, those who are instruments of the CIA, those who are taking terrorism to Nicaragua.

Ends Visit, Departs for UN

FL180026 Mexico City NOTIMEX in Spanish 2345 GMT 18 Oct 85

[Text] Mexico City, 18 Oct (NOTIMEX) -- After offering his condolences to the Mexican people and Government for the September earthquake, Nicaraguan President Daniel Ortega Saavedra left this afternoon for New York.

The Nicaraguan leader was in Mexico City for approximately 7 hours during which time he met with Mexican President Miguel de la Madrid and Mexican Foreign Secretary Bernardo Sepulveda Amor.

Ortega Saavedra will attend the UN General Assembly meeting in New York, where he will speak on the situation in Nicaragua.

DE LA MADRID, GUATEMALA'S MEJIA MEET IN TAPACHULA

PA191336 Mexico City XEW Television Network in Spanish 1300 GMT 18 Oct 85

[Text] Mexico President Miguel de la Madrid has said that the Mexican Government is willing to protect the human and labor rights of Guatemalans. This was stated yesterday during a meeting between the Guatemalan head of state and the Mexican president in Tapachula, Chiapas, which lasted more than 7 hours. General Oscar Mejia Victores pledged to fulfill the promise by the Guatemalan Government and Army to hold free elections and return to a constitutional state in Guatemala. Regarding financial and commercial matters, the two agreed to advise each other on the renegotiation of their foreign debts. They also agreed to foster reinvestments and establish mutual credit lines and new forms of commercial relations, such as compensated exchange and barter in order for the two countries to save money.

During their meeting Mejia Victories and De la Madrid agreed to seek a peaceful solution to the war in Central America and to support the Contadora Group efforts. De la Madrid admitted that both Mexico and Guatemala have encountered difficulties, but that the two countries should solve their common problems because they share common borders. He said that Mejia Victories' visit could initiate a phase of stronger ties between the Guatemalan and Mexican peoples by treating each other as brothers and friends. The countries also agreed on cooperation on energy, agriculture and livestock, science and technology, fishing, and cultural issues. After issuing a joint communique, the Guatemalan head of state and the Mexican president left Tapachula. De la Madrid returned to Mexico City, and Gen Mejia Victories returned to Guatamala City.

Joint Communique Issued

FL191614 Mexico City NOTIMEX in Spanish 0310 GMT 18 Oct 85

[By Gregorio Alpizar]

[Text] Tapachula, Mexico, 17 Oct (NOTIMEX) -- Following today's meeting of Presidents [as received] Miguel de la Madrid and Oscar Humberto Mejia Victories, Mexico and Guetamala have agreed to strengthen and widen bilateral cooperation in diverse areas of mutual interest and benefit to the two peoples.

In a joint communique issued at the end of the meeting of the two chief executives, they stressed their political agreement in such matters as respect for equality under the law, mutual respect to keep the peace and maintain stable relations between the two states, support for the Contadora Group in its peace-seeking mission in the Central American area, and the demand that a new international economic order be established.

The communique, which was read by Mexican Secretary of Foreign Relations Bernardo Sepulveda Amor in the presence of the two presidents, stresses the cordial atmosphere of good will and respect in which the conversations were held.

The presidents said that world stability demands that states respect the self-determination of the peoples, the fulfillment of international obligations, and support for nonintervention in the domestic and foreign affairs of other countries. They stressed the right of the peoples to choose their own forms of government without foreign interference and gave their support for absolute respect for human rights.

With regard to the international economic crisis affecting Latin America, they said it is imperative that the world community participate in the design and execution of measures to overcome the problems affecting development, especially in trade, finance, and monetary matters.

They also studied the delicate Central American situation, agreeing that the final version of the Contadora peace and regional cooperation document is a viable legal instrument for the lasting pacification of the area. They stressed the fact that the governments of the area are responsible for achieving peace and development, and they expressed their support for Contadora.

Presidents De la Madrid and Mejia Victores said the program of Central American economic integration is the most appropriate for the region and merits the support of the international community.

With regard to bilateral economic relations, they noted the need for greater dynamism and proposed the exploration of new fields to strengthen the ties of reciprocal cooperation. They expressed determination to press for the adoption of measures to increase trade significantly, and they noted the need for new nontraditional trade formulas such as barter, which is viable because it means saving foreign exchange. They reviewed the steps taken in this area such as the agreement signed by both countries in September 1984, the eighth meeting of the working group for commercial and economic cooperation held in March 1985, and the Central American exposition held in Mexico a few months ago.

The two chiefs of state studied their relations in energy matters, including the benefits of the San Jose Pact, and they pledged to strengthen scientific and technical cooperation, especially in geothermia, electrical interconnection, and other areas.

In the agricultural and livestock sector, they decided to strengthen cooperation in the control of such plagues as the fruit fly, African bees, and borer worms, and they recommended intensifying cooperation and exchange programs in matters related to fishing.

In the financial area, the two presidents agreed on three points: to promote mechanisms for coinvestment, to support a meeting of financial authorities of both governments to exchange information on the experience acquired in the renegotiation of the foreign debt, and to establish reciprocal lines of credit and coordinate their positions at international financial forums.

In cultural matters, they pledged to strengthen and diversify cultural contacts; and they agreed to take measures to protect and recover goods and artifacts belonging to their respective archaeological, artistic, and historical heritages.

Finally, the Guatemalan chief of state reiterated his government's pledge to remain neutral in the three November elections. He stated his firm decision to guarantee the right to vote freely and to surrender power to whomever is freely elected.

President De la Madrid took special interest in this statement and expressed his pleasure that Guatemala will achieve democratic government and institutions in this way.

The Guatemalan president's visit ended shortly after 1800 when he boarded the plane that was to take him back to the Guatemalan capital. President De la Madrid then returned to Mexico City.

GOVERNMENT UNABLE TO PAY FOREIGN DEBT SERVICES

FL161957 Mexico City NOTIMEX in Spanish 1732 GMT 14 Oct 85

[Excerpts] Mexico City, 14 Oct (NOTIMEX) -- Mexico is unable to completely pay the service charges on its foreign debt amounting to $13,221,000,000, the Secretariats of Finance and Public Credit and Planning and Budget have announced.

The government offices indicate that the expected payment of the trade balance of $7.2 billion will cover barely 54.4 percent of those commitments to the international finance community.

The payment of interest and 1985 payments will absorb 61.3 percent of the total exports' foreign currency income and around 6.6 percent of the expected GDP.

Regarding the services, this will reach a negative level amounting to $9 billion, and international foreign currency reserves will drop almost 60 percent compared to the $8 billion at the end of 1984.

Domestic pressures have become stronger because inflation will reach 60 percent and savings show a 40-percent decrease compared to last year, while credit becomes more expensive and liquidity increases.

The year will end with a 100-percent overdraft on the foreign debt, since $1 billion will be borrowed over the amount authorized by Congress for this year, making the service of the debt even more difficult.

BRIEFS

TRADE, AGREEMENT WITH CUBA -- Mexican exports to Cuba have increased 20.9 percent, rising from $44,936,000 in January-July 1984 to $54,323,000 in the same period in 1985. Meanwhile, imports of Cuban products decreased 89.2 percent, falling from $12,675,000, January-July 1984, to $1,367,000 in the same period in 1985. Also reported yesterday was the signing of an agreement between Medicuba, the Cuban Enterprise for the Import and Export of Medical Products, and the Mexican firm Serinter, S.A., for the mutual representation of the firms to market raw pharmaceutical materials according to the terms of the Partial Extension Agreement [Acuerdo de Alance Parcial] signed by Mexico and Cuba. [Summary] [Mexico City EL UNIVERSAL in Spanish 2 Oct 85 p 3 financial section PA]

WINSTON SPADAFORA SENDS LETTER TO DEL VALLE

PA181511 Panama City LA PRENSA in Spanish 14 Oct 85 p 1A

[By Rogelio Herrera]

[Excerpt] The letter that Dr Winston Spadafora has sent in response to a letter from President Eric Arturo Del Valle on the case of the murder of Hugo Spadafora has been made public.

After stating on behalf of the Spadafora family his appreciation for "the condolence letter," Winston points out the following in his letter: "In view that in your note you express your strong wish that justice be done in the case of our brother Hugo" and "of the fact, as you state in your note, that you have publicly suggested to the State Attorney's Office that it adopt additional admissible and legal measures in the investigations it is carrying out to completely clear up the events, we see, no longer with surprise but now with shame, that Hugo disappeared 1 month ago today and the citizens have still not been officially informed about one single detail of the investigations being carried out by the State Attorney's Office."

In the letter Winston recalls that on 28 September "I sent you a note that was later made public in which I asked you to draft a bill for the creation of the already-mentioned investigating commission. I have not received an answer to that letter yet."

In the next paragraph Dr Spadafora adds: "If you want to go down in history as a good president, then move closer to the people and back their demands by granting what my family and the people are asking of you. Otherwise, you will be remembered as the 10 October 1985 president who walked to the National Guard barracks to pay homage to the military sector, not honoring the majesty of the fatherland, which is represented by the president of the Republic."

"I must tell you, Mr President, that once the doctors declare that I am physically recovered, I will reinitiate civic nonviolent pressure activities to demand satisfaction for the requests of the Spadafora family. Mr President, it is necessary to inform you that while we announce and carry out nonviolent pressure measures, important National Guard elements are making threatening and intimidating public statements," concludes Dr Winston Spadafora in his letter of reply to President Del Valle.

REPORT ON SPADAFORA DEATH SUBMITTED TO ASSEMBLY

PA191531 Panama City LA ESTRELLA DE PANAMA in Spanish 17 Oct 85 pp 1A, 17A

[Excerpts] Legislator Luis Gomez, president of the ad hoc commission appointed by the Legislative Assembly to report on the Attorney General's Office investigation of the death of Dr Hugo Spadafora, presented a report to the Assembly yesterday. The opposition faction labeled the report "personal" and lacking the support of all the members of the commission.

Gomez, who spent approximately 2 hours reading the report and providing comments, pointed out that opposition legislators participated in the inquiries. He added: Most of the commission members participated in the investigation at all times and members of the commission accompanied members of the Attorney General's office in performing various tasks, despite the staggered resignations of Legislators Simon Guiros y Guiros, Francisco Artola, and Jaime Fernandez. Gomez also mentioned the meetings held by the commission on their work.

Despite the fact that several opposition legislators labeled the report "personal" and said that it was not supported by the Assembly commission, Gomez said that the report could be about the work carried out by the commission president. In addition, Assembly President Camilo Gozaine stressed that the report, verbal thus far, is considered by the Assembly to be the report of the commission appointed by the Assembly.

It is worthwhile to mention that in the report contradictions have been observed regarding dates, places, and facts, as well as clothing, personal identification, rumors, and third parties' testimonies.

Gomez pointed out that the evidence gathered any any other information resulting from the investigation carried out thus far must be evaluated by the Attorney General's Office, which will certify and attest to the results of the investigation. At the end of his report, Gomez said: "I feel I have accused or excused no one." He described the report as an excerpt of the important aspects thus far and said that the commission plans to visit Costa Rica soon, provided the Assembly decides that the commission should continue its work.

Both the press and legislators at large demanded that a written copy of the report and the conclusions reached be delivered to them immediately. Gomez said that he hoped the work will not end yet and that Winston Spadafora soon recovers so that he and the Spadafora family can contribute valuable information which they say they received from reliable sources.

CHIRIQUI PROVINCE WOMAN'S KILLER CONFESSES

PA180439 Panama City LA REPUBLICA in Spanish 15 Oct 85

[By Ruth de Navarro]

[Text] A report provided by the attorney general of the nation reveals that the murder of Mrs Maria Florentina Quiroz Martinez last 1 October in Chiriqui Province was 37-year-old Melanio Caballero Batista. He confessed yesterday.

The report says that Caballero's statement confessing to this crime refutes the claims of those who used this painful event to spread twisted information with who knows what intentions. The attorney general's note also states that the criminal had confessed that he committed the crime in cold blood and used a sharp object to wound his victim several times.

The document equally underscores that while a local newspaper used the event to publish all types of commentaries, stating that the dead woman was a witness in Dr Hugo Spadafora's case, her relatives ascertained that she had been robbed, and several blood-stained U.S. bills have appeared lately in Cerro Punta's business sector.

The clothes the killer was wearing when he committed this horrendous crime have also been found; the weapon used in the homicide was also located; and information has been received that the investigation has continued, given the close collaboration between the Attorney General's Office and the National Investigations Department in Chiriqui Province.

Lastly, the report points out that all this information refutes the goals of those people who become accomplices of sedition with their information, with the sole intention of provoking chaos in the country.

COSTA RICA

OFFICIALS DISAGREE ON STATUS OF REGIONAL MEETING

PA181530 San Jose Radio Reloj in Spanish 0100 GMT 18 Oct 85

[Text] Presidency Minister Danilo Jimenez Veiga has stated that the international conference at which European relations with Central America will be reviewed late this month is not sponsored or supported by the government. This contradicts statements by Armando Vargas, minister counsellor for information and communications, who said at the presidential palace before leaving with President Luis Alberto Monge for Israel that the government is sponsoring this international event. Although neither [Nicaraguan Vice President] Sergio Ramirez nor [Nicaraguan Interior Minister] Tomas Borge were mentioned on that occasion, it has now been announced that they have been invited to participate in the event together with political and intellectual personalities.

The statement by Presidency Minister Jimenez reflect a clear and evident disagreement between Jimenez and Vargas in regard to the international event. In a statement distributed to the press, Vargas said that the objective of this international event, which is sponsored by the Costa Rican Government, guarantees its holding.

Jimenez has now emphatically disavowed this statement and asserted that the Latin American School of Social Sciences, FLACSO, and the Institute for European-Latin American Relations [Instituto de Relaciones Euro-Latinoamericanas -- IRELA] are in charge of its promotion and sponsorship as nongovernmental, private organizations and that the government has nothing to do with this activity.

Jimenez admitted that the government has agreed to grant visas to two people -- Borge and Ramirez -- on a personal basis and not as officials of the Sandinist government. However, he said that the visas will be granted provided these two persons come to Costa Rica on a personal basis and not with an official status to participate in two meetings [as heard] that have no official status. Jimenez added that no visas will be granted to any other member of the Nicaraguan regime or to bodyguards of either Ramirez or Borge because the Costa Rican Government will guarantee their protection and security.

Upon stressing that the phrase "sponsored by the Costa Rican Government" must be stricken out of the press communique released by Vargas, Presidency Minister Jimenez said that any contact between officials of the Monge administration with Ramirez and Borge is disallowed if they come to Costa Rica. This is the position of the Costa Rican Government, and this is the way it was confirmed to me by Foreign Minister Carlos Jose Gutierrez a few hours ago, added Jimenez, who is also in charge [tiene como recargo] of the Foreign Ministry.

The backing given by Vargas to the conference is mistaken, Jimenez said, asserting that the Monge administration has at no time sponsored this international conference.

MINISTER DENIES MONGE STATEMENT ON NICARAGUA

PA181546 San Jose Radio Impacto in Spanish 1830 GMT 17 Oct 85

[Text] Costa Rican Communications Minister Armando Vargas Araya has denied statements attributed to President Monge that Costa Rica will normalize relations with Nicaragua before the end of the year. Vargas Araya stated in Israel that newsmen misinterpreted the president's words.

[Begin Vargas Araya recording] A reporter for the Spanish news agency EFE threw President Monge a question [words indistinct] Costa Rica's relations with Nicaragua, to which the president answered [words indistinct]. Then the newsman pressed him further, asking: Do you believe these relations can be normalized? The president said yes. Asked when he believed they would be normalized, the president said he hoped they could be normalized soon, perhaps before the end of the year. A web of speculation has been spun around those three or four words.

However, the Nicaraguan matter came up again this afternoon during the news conference President Monge held for the foreign press at Jerusalem's King David Hotel. Regarding the announced suspension of constitutional guarantees in Nicaragua, the president said that it is a domestic political matter on which Costa Rica has no say, as it would not accept foreign interference in its own domestic affairs. In more general terms, the president regretted that the Nicaraguan people's struggle to attain peace, tranquility, and national harmony appears to be slipping back instead of advancing.

Those were the outstanding points President Monge made during the news conference that ended approximately 20 minutes ago in Jerusalem. [end recording]

NICARAGUAN ACCUSATIONS OF ATTACKS REFUTED

PA181322 San Jose LA NACION in Spanish 9 Oct 85 p 10 A

[Text] Civil Guard Director Colonel Oscar Vidal has refuted the Nicaraguan Government's accusations that Sandinist People's Army (EPS) posts along the border have been attacked from Costa Rican territory. Col Vidal said that they "are not permitting the rebel groups to operate in their territory."

In notes to the Costa Rican Foreign Ministry, the Nicaraguan regime states that EPS posts in San Carlos, 2 km east of La Penca, have been attacked by rebels from our territory. According to the Nicaraguan regime, rifles, 57mm mortars, and rocket launchers were used near La Penca and also near the Sandinist post in Sarapiqui.

The Nicaraguan Government also reported that similar actions were carried out last month from Costa Rican territory against Pueblo Nuevo, a Nicaraguan village located 14 km from the border with Costa Rica.

Regarding this incident, Col Vidal said that "the commanders have said something that is impossible. The arms that they claimed were used from our territory to attack Pueblo Neuvo cannot reach that far."

Col Vidal said that the Sandinists are always mentioning the use of rifles and mortars in these attacks. If we realize that a rifle has a 500 meter range and a mortar a range of 3,600 meters, we must conclude that the accusations have no foundation.

Vidal indicated that the Nicaraguan regime has also complained to the government of President Luis Alberto Monge about the use of mortars against helicopters. Everyone knows that mortars are not used on moving targets.

Regarding a Sandinist report that 200 rebels are near the border on the Costa Rican side, Col Vidal said: "Who are they trying to fool?"

The logistical support along the border to groups of more than 20 men, especially in the sector of Upala and Nazareth as the Nicaraguan regime has complained, is practically impossible due to the conditions of the terrain. Col Vidal said that the units stationed along the border have seen rebel groups in Nicaraguan territory, "but not as many as in past months before the Democratic Revolutionary Alliance (ARDE) was dislodged from its positions by the EPS."

The Sandinists also mentioned Valle de Papaturro in Costa Rica as another area from which the rebels are operating. However, Col Vidal said that there is no such location in Costa Rica. Col Vidal reported that the Panamanian and U.S. Governments will train approximately 20 Civil Guardsmen to detect mines.

"This weekend we are to receive the equipment used in this work in the border zone, where the residents of that sector are worried over the possibility that unidentified groups or the Sandinists have planted explosives in that sector," Col Vidal said. According to Vidal, Costa Rica does not have an expert on this type of explosive. There are some who are somewhat familiar with detecting these explosives, he indicated. Finally, Col Vidal said that the zone to be mined will be combed on Saturday.

EL SALVADOR

INEZ DUARTE'S RELEASE POSSIBLY 'NEXT WEEK'

PA192243 San Salvador Radio Cadena YSKL in Spanish 2229 GMT 19 Oct 85

[Text] Sources linked to the negotiations for the release of President Jose Napoleon Duarte's oldest daughter, Ines Guadalupe, today at noon said that they expect the release to take place next week following a five-step process.

It was learned that the kidnappers and the government have agreed that the exchange of prisoners will be made in five steps; therefore, the release of Ines Guadalupe Duarte Duran and her friend, Ana Cecilia Villedas, is expected sometime next week. The first step would be the government's permission for 100 rebels injured in combat to leave the country. Following this, the kidnappers would release the two kidnapped women.

It was also learned that the third step would be the departure from El Salvador of the 22 rebels who are in prison. The list of these prisoners was presented to President Jose Napoleon Duarte by the kidnappers. Almost simultaneously, the kidnappers will release the 23 mayors who have been in their hands for several months. The fifth and last step would be the release by the government of guerrilla Commander Nidia Diaz, a high-ranking member of the Revolutionary Party of Central American Workers (PRTC). More on this and other information in future YSKL newscasts.

Chances for Quick Release 'Slim'

PA181435 Hamburg DPA in Spanish 1313 GMT 18 Oct 85

[Text] Bonn/San Salvador, 18 Oct (DAP) [dateline as received] -- Despite the mediation efforts by FRG Social Democratic politician Hans Juergen Wischnewski, the chances that Ines Duarte, the Salvadoran president's daughter, might be released quickly are slim. This is what Willi Germund, the El Salvador correspondent for the FRG newspaper STUTTGARTER ZEITUNG, reported today. The contents of his report have been fully confirmed in Bonn by generally well-informed sources.

According to the Stuttgart newspaper, the Salvadoran Army's most militant faction gained the upper hand last week, opposing any negotiation with the FMLN guerrillas who, according to the German correspondent, has softened the conditions for the release of the president's daughter and her companion.

The FMLN attack last week on a military training center located near the port city of La Union, which resulted in 110 casualties among the military, reduced the chances for a prompt release of Duarte's daughter. According to the German newspaper, the U.S. Embassy in San Salvador also influenced against the possibility of "negotiating with the terrorists."

At first the Armed Forces had agreed to negotiate with the guerrillas as long as the discussion also included the 23 mayors who have been in FMLN hands for months. To release the mayors, the rebels wanted 100 seriously wounded guerrillas to be allowed to leave the country so they could be hospitalized abroad. They also offered to exchange Duarte's daughter for 23 imprisoned guerrillas.

According to the newspaper, Wischnewski mediated with the guerrillas at President Duarte's request. He presented the president with the list of FMLN conditions but Duarte did not obtain the Armed Forces' approval.

Archbishop in Panama for Talks

PA201832 Hamburg DPA in Spanish 1758 GMT 20 Oct 85

[Text] San Salvador, 20 Oct (DPA) -- San Salvador Archbishop Msgr Arturo Rivera y Damas traveled late on Saturday to Panama to meet with leaders of the Panamanian Government and the guerrilla fronts who are in Panama.

Government officials said today that part of this trip is due to the fact that in the last few hours the FMLN guerrillas have changed their original position on the negotiations with the government regarding the kidnapping of Ines Guadalupe, daughter of Salvadoran President Jose Napoleon Duarte, and her companion Ana Cecilia Villeda, kidnapped on 10 September.

To date, many sectors of the church disapprove of their highest leader "being involved in things that in no way benefit the work of Christ through the pope, who has always condemned all actions against human beings such as those that are carried out by guerrillas throughout the world and the imitators of the FMLN."

VENCEREMOS CLAIMS DUARTE COLLAPSE 'IMMINENT'

PA210215 (Clandestine) Radio Venceremos in Spanish to El Salvador 0113 GMT 21 Oct 85

[Commentary: "Abduction of Ines Duarte, Christian Democratic Party Official, and Staggering Attack on the Armed Forces Military Training Center: Detonators of the Christian Democratic Crisis"]

[Text] The abduction of the Christian Democratic official and the staggering attack on the Armed Forces military training center were the sparks that caused the deepest crisis which, according to political sectors and militarymen, could probably hasten Jose Napoleon Duarte's fall and the ascent of (Abraham Rodriguez) [not further identified] to the leadership of the Christian Democracy.

These two important factors in the current crisis being experienced by Duarte's government have concluded the dramatic picture of military setbacks, economic bankruptcy, popular unrest, total weakening of the Christian Democratic Party, and damage to the image of Jose Napolion Duarte as the binding element for the U.S. plans in El Salvador.

The overall picture is clearly dramatic. Duarte and the Christian Democratic Party have led the country to an insurmountable crisis. The cost of living has increased, our currency has been devalued, the economic plans have gone bankrupt, and the war economy has been kept alive with injections of Yankee dollars.

The FMLN's permanent sabotage of the main areas of the economy and infrastructure played an important role in deepening the economic crisis, and it has not been possible for the regime to prevent heavy losses in public service areas such as electricity, transportation, communications, export trade, etc. To this we must add the continuous defeats on the puppet army's military plans which, subjected to a constant attribution of its forces, have had to face unsustainable casualties. According to intelligence reports, four out of every five Army casualties are inflicted by mines. This fact has made the commanders and officers desperate, because they have not been able to raise the morale of their troops.

During the first 18 days of October the Duarte troops reported 654 casualties. This pace cannot be sustained by Duarte's army. In addition, Duarte's regime, lacking a social basis, has found itself confronted with the greatest mobilization by the people since 1979. The people are drowning from the increase in the cost of living and the consequences of the regime's antipopular measures -- implemented by a regime that is desperate and bent on using all its resources for the war economy while burdening the most needy with the weight of the crisis.

The wave of popular unrest is growing and growing. The people are angered by the public and unshameful corruption of the Christian Democratic officials who take the Yankee dollars to build their mansions and businesses and to buy property, right before the eyes of the people who only get poorer.

Duarte responded to the popular unrest with repression, arrests, torture, and disappearances; with the same system used by all the previous dictatorships. The charges made by international organizations regarding the violations of human rights in El Salvador have also helped to crush the pseudodemocratic image on which the United States spent many dollars and efforts to build a disguise for its counterinsurgency plan in El Salvador.

Within this framework of the growing deterioration of Duarte's image in the United States, the execution of U.S. Marines in San Salvador took place. This was followed by a shameful televised report on the alleged arrest of the patriotic command that carried out the execution. A series of blunders and basic mistakes uncovered the farce. They reported on the search for a guerrilla who turned out to be a prisoner in one of Duarte's jails, and who had been in the jail for a year. This also helped to weaken Christian Democrats.

To complete the picture, Ines Duarte, a Christian Democratic official, is abducted. This is the last straw for the Duarte crisis. Duarte sets aside all national and government matters and becomes completely involved in his personal problem: Ines Duarte's abduction. The heads of the high command and high-ranking military chiefs come unglued. Duarte's weakness, having put aside his duties as president, angers General Bustillo, Colonel Ochoa Perez, Colonel Estaben, Lieutenant Colonel Anaya and others who have lost all respect for Duarte and who have hurled personal insults at him.

The disenchantment becomes evident when orders are disobeyed. The militarymen have refused to give Duarte's family extra protection, and Duarte, in an action that surprised all the political observers, decided to send his family to the United States. Duarte evacuated his children because he is terrorized, insecure, and because he has lost trust in the state's military and security system.

In the midst of this state of conflict and lack of trust, the FMLN deals the demolishing and strategic attack and takeover of the garrison of the Armed Forces Military Training Center at La Union. Following this, the high-ranking military officers at Army garrisons blame Duarte for all the military failures. They do not want to accept the development, capabilities, and the effectiveness of our revolutionary army. Duarte is also blamed for the military calamities of the Army. What has been gossip among the military is almost public knowledge: the plotting among the military which insists the fall of Duarte is imminent. The military even mention Abraham Rodriguez as the successor.

The picture is just as bad within the Christian Democratic Party. There is crisis, division, and discontent within the Christian Democratic Party. The capture of the official linked to the psychological war apparatus has brought up on the green Duartist table the poorly-handled case of the government's captured and forgotten city mayors. Duarte's desperate reply in view of the capture of his daughter has uncovered the poor [word indistinct] and moral quality of the PDC heads. There is corruption and discontent within the already shaky bases of the Green Party, who feel they have been betrayed. Perhaps all this Christian Democratic discontent could have more repercussions in weakening the Duartist leadership, in deteriorating Durate's image in the face of international Christian Democracy. Duarte's behavior is self-absorbed and egotistical as he forgets the party action he promised for the operation of the government.

The oligarchic right is also preparing reprisals for the Christian Democratic Party in view of the concessions it is making. For example, they are preparing an amnesty law that will pardon the most notorious criminals of the ultrarightists, including Roberto D'Aubuisson. This is the dramatic picture that prepares the fall of Duarte and the probable succession of Abraham Rodriguez in his place. The fall of Duarte would undoubtedly be another victory of the FMLN, another victory of the working people led by the FMLN.

The capture of Ines Duarte in San Salvador has uncovered before the nation and the international community, the cruel and macabre government activities of persecution, torture, disappearances, prisons, and corruption of the juridical system. For example, it has been learned that out of a group of 22 political prisoners that Duartism admits it has in its prisons, only 1 of them has been turned over to the courts and sentenced. The rest have no legal dossier.

Thus, the capture of the Christian Democratic official and the attack and takeover of the Armed Forces Military Training Center are considered, both here and abroad, as the detonators, and as intelligent operations of the FMLN that have hastened in a matter of hours the collapse of the Duartists' dreams of grandeur. The crisis of Napoleon Duarte's government is deep, and undeniably, it is the deep crisis of the Yankee project. It is also evident that this accelerates and heightens the process of unification of the FMLN toward the formation of a single party, and one single army based on the victories of the people; it is in sharp contrast to the weakening and crisis of the Christian Democratic Party and the Army.

The unity and consolidation of the FMLN-FDR [Revolutionary Democratic Front] has guaranteed the victories of the people. The capture of Ines Duarte and the attack on the Armed Forces Military Training Center are within the framework of an intense activity of attrition and destabilization of the regime throughout the country and have been the detonators of the deepest Christian Democratic crisis. The people are watching the national scene. Duarte is collapsing. His fighting with the military is causing a split while the FMLN hits them and marches unitied toward victory. The schism within the enemy's ranks leaves only one winner: the Salvadoran people.

FMLN REPORTS AIR FORCE BOMBING OF FARMS, SCHOOLS

PA171816 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 16 Oct 85

[Text] Local and international news media, pay close attention: Radio Venceremos is now receiving a last minute report. The dictatorship's Air Force bombed the Nuevo Eden Canton, north of San Miguel Department, killing and injuring more children. Winged squads continue their terrorist actions. Pay close attention: The report indicates that at 1100 on 14 October, 2 U.S.-made A-37 Dragonfly planes and an O-2 plane bombed and strafed the areas known as Copante Hill, Mazatepeque Farm, (Cerro de Cabo de Horno) and Cucurucho Canton, all of which are located in Nuevo Eden de San Juan jurisdiction.

One of the bombs dropped on Mazatepeque Farm totally destroyed the home of Rosendo Cruz, seriously inuring Florinda Cruz, 20, and instantly killing Alvaro Cruz, 12, and their sister, a 10 year-old girl. This took place in Cucurucho Canton. The report added that the bombs hit three houses and some civilians. The houses were totally destroyed, and farm animals were killed. Another bomb dropped on the canton's school, but fortunately the 60 children attending school had vacated the school shortly before. The school was damaged by bomb fragments.

We repeat: The Duarte dictatorship's Air Force murdered two children in Nuevo Eden de San Juan Cantons. Also, the Air Force bombed the area's school where 60 children had been attending classes. Radio Venceremos will have further reports on the new massacre perpetrated by the Air Force in less than 2 days.

HONDURAS

U.S. AID FOR CONTRAS CONFISCATED, TO BE RETURNED

PA181250 Tegucigalpa Cadena Audio Video in Spanish 1145 GMT 18 Oct 85

[Excerpts] The National Security Council decided yesterday that the U.S. Government has injured and offended the country's dignity by sending a plane to Tegucigalpa loaded with humanitarian aid for the Nicaraguan counterrevolutionaries, Foreign Secretary Edgardo Paz Barnica has stated. The official announced that by National Security Council decision, the aid for the contras will be returned to the United States.

[Begin Paz Barnica recording] The National Security Council met today, after being convoked for an emergency session by President Suazo Cordova. The session was requested by the commander in chief of the Armed Forces to discuss several issues, including the matter of the plane that unexpectedly landed in Toncontin a few days ago.

The Security Council, the government, and the Armed Forces expressed their view today that this action injures and offends our country's dignity, that it interferes in a relationship of mutual respect between Honduras and the United States [words indistinct]. It has been agreed that on behalf of the National Security Council, I will notify the U.S. ambassador that the material is ready to be returned to its place of origin, that is, the United States. [end recording]

It has been learned that yesterday Honduras presented U.S. Ambassador John Ferch with a protest note in connection with the use of Honduran territory for the delivery of humanitarian aid for the counterrevolutionaries. Here is the information from Tegucigalpa: Foreign Secretary Paz Barnica has presented U.S. Ambassador Ferch with a note allegedly protesting the use of Honduran territory for the delivery of U.S. humanitarian aid for the anti-Sandinist insurgents.

The first cargo connected with the $27 million aid approved by the U.S. Congress for the counterrevolutionaries was confiscated last Thursday from a plane that landed in Toncontin Airport, here in the capital. The National Security Council decided yesterday to return the cargo to its place of origin.

In an unusual action, Foreign Secretary Paz Barnica summoned Ambassador Ferch to his office and presented him with a note sent by the Security Council to the U.S. Government. The contents of the note have not been disclosed. It has been unofficially learned, however, that the note was one of protest, as the Foreign Secretary reiterated shortly after delivering it that the incident constituted a display of disrespect for Honduras.

For his part, U.S. Ambassador Ferch claims that neither the U.S. Government, nor the U.S. Embassy here in Honduras have been involved in sending this cargo to Honduras.

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EDITORIAL ON REBEL AID SEIZURE, MISSING PERSONS

PA190156 Tegucigalpa Cadena Audio Video in Spanish 1145 GMT 18 Oct 85

[Editorial]

[Text] Yesterday the Honduran Government announced two important decisions that contradict the institutional policies of the Roberto Suazo Cordova regime, and temporarily blur the good intentions announced by the high military command, of rescuing the institution's prestige. One of these decisions favor the impartial conduct that the Honduran Government should always observe in response to Central American conflicts. To confiscate a shipment sent to the Nicaraguan counterrevolutionaries through Honduran territory, is an encouraging sign that will rid us of that bad halo that makes us accessories after the fact, accomplices, and also promoters of actions directed against a government system -- even if we do not share its ideological configuration -- whose enemies we have no reason to promote.

The demand that our government must make to the U.S. Government should be strong, because this is the only way a country that feels insulted to the marrow can react, when its territory is used, disrespectfully and without authorization, as a bridgehead to support political groups that have nothing to do with the Honduran fatherland's interests. Our government and an immense majority of the people in this country do not support the Sandinist government, but the right to political dissent with another government does not morally or in any other way authorize us to promote destabilizing actions against our ideological adversaries.

The Honduran Government's action of confiscating a large shipment transported to our country for the Nicaraguan contras has been timely as well as healthy, because our country must not only seem to be, but it must be neutral in regard to this Central American country's conflict. To send a shipment of that nature for such a group to Honduras, is more than a simple offense, it is a serious offense that affects the country's morale. We are treated as if we were altar boys who must jump at the slightest command. An airplane is sent to us with a shipment -- although not lethal -- that is for a rebel group that wants to topple a government. The principle of neutrality must be maintained, not only in response to any given order, but in response to all conflicts that do not concern national interests. Therefore a strong response to the disrespect of our northern ally, who sent us an airplane loaded with humanitarian aid for the counterrevolutionaries, without consulting with the Honduran Government, is expected from us. We must react strongly against the U.S. Government, who is said to be the sender of the airplane.

It is humiliating for Honduras to be treated this way, and it is very insolent for the U.S. Government to assume that it is not worth wasting its time to request authorization from the Honduran Government to send this type of shipment. In response to this honorable institutional political position, yesterday we were also informed of the final report of the Special Commission that investigated the cases of missing persons in Honduras during the tenure of General Gustavo Alvarez Martinez as chief of the Armed Forces.

The report, which in itself is contradictory and reports nothing, states that there is no decisive proof of the detention of persons, and that such charges are unclear and do not provide definite details on arrests and detentions. This final report contradicts another provisional report that the Armed Forces had published earlier. The military authorities took more than 7 months to say that there is not a single case of arrest in Honduras, when there actually is and was hard evidence that involves certain authorities in unnecessary arrests, proving that the authorities have violated the law in order to punish someone who broke the law and thus became a threat to society. What can we say now to the more than 100 families who had hoped the new military command would clear up the disappearances? What can we say to satisfy the desperate relatives, and for the health of the military institution, which has been seriously affected by the accusations that it has enforced a state of repression never before seen in our country.

Who is going to believe this report that contradicts the words of General Walter Lopez himself, who in an earlier statement said that the investigation committee was arriving at situations that were quite painful. How far did thos investigations go? How much paid did they cause, to the extreme that they were forced to come with this incredible and cheap alibi that states that there are no clear indications that any of the persons reported missing had been arrested or detained. Yesterday's report, more than a joke, has been a stinging arrow in the hearts of many Hondurans, who had expressed satisfaction over the intentions stated by Gen Walter Lopez, and Chief of the General Staff Colonel Efrain Gonzalez, that all of the cases of detentions and disappearances would be cleared up. We feel that this report only troubles the relatives of the persons who were arrested and then reported missing.

What happened to all those persons who have been reported missing for more than 5 years? Is it possible that they were swallowed up by the earth? The regime's institutional policy seems to be guided, during these last days of its administration, by an enormous sense of contradictions. However, our leaders should know that evasive answers, if they have really been meant to be evasive, will do no good for the country's prestige, because most of these people were reported missing during a constitutional regime. Evasive answers and denials are not convenient for anyone; they were not convenient for the government, the party in government, or the Armed Forces.

The whole world must be asking itself that if many disappearances took place in Honduras during a constitutional regime, it must be because this system is failing in the defense of people's ideological freedom. Consequently, it cannot guarantee the freedom to dissent, in other words, ideological and political dissent. We cannot allow, we must not allow, the Honduran democratic system to be doubted in the least, to guarantee man's inviolable rights.

PINU CANDIDATE WARNS OF POSSIBLE COUP D'ETAT

PA190414 Tegucigalpa Cadena Audio Video in Spanish 1145 GMT 16 Oct 85

[Text] Dr Enrique Aguilar Paz Cerrato, PINU [Innovation and Unity Party] candidate, reported last night the possibility of a coup d'etat that would interrupt the Honduran electoral process. Aguilar Paz Cerrato, one of the most prestigious presidential candidates in the present electoral process, stated yesterday in a forum sponsored by union leaders and workers that there is a marked interest in interrupting the democratic process in Honduras. Reporter Napoleon Mairena Trasero interviewed him last night for Radio America.

[Begin recording] [Aguilar Paz] The truth is that the desire to interrupt the country's electoral process is not new. The plot of not holding elections has been hatching for days, for years.

Taking advantage of the kindness of this distinguished reporter, I wish to appeal vehemently to all Honduran people. Let us make a general effort not to interrupt Honduras' democratic process, which has been threatened by technical coups or other types of coups that would mean interrupting democracy in our country. That would be serious, with consequences in all areas, affecting not only Honduras' international respectability, honor, and dignity, but also having serious repercussions in the economic area. A new Honduran Government will definitely not have the support of friendly nations that are helping us to emerge from our past economic chaos and crisis.

Consequently, I point out that we are still in time to support the electoral process. Fellow countrymen, it does not matter which candidate wins. It is going to be a Honduran, and once this Honduran wins the elections honestly, let us all support him, without resentment, without hatred and without childish, immature positions, but thinking fundamentally of the interests of this country that we love so much. We should become guarantors of this national heritage of Honduras, and we should leave us children with a more organized country, a country where there is freedom, social justice, and solidarity. This is the solidarity for which I am now clamoring. Let us show solidarity toward democracy. The best way to build a democracy is by practicing it.

[Mairena] Doctor, has the PINU candidate received any information from very reliable sources that there might be an interruption in the electoral process, with only some 40 days to go before the elections?

[Aguilar Paz] Well, I believe that those people who are trying or have tried -- as I understand that the period for that is now past -- to disqualify distinguished fellow citizens who have been elected candidates by a great majority of the Honduran people, or all those other people who are questioning our census -- we admit it has errors and irregularities, but I sincerely believe that there has not been intentional fraud -- all those people who are calling for abstention at this moment are staging a kind of attack on the democratic process, and that is the most fundamental thing that we must defend at every moment. I can assure you that we are not immune to a possible interruption of this democratic process, and what I am doing with my timely warnings -- my historically timely warnings -- is applying preventive medicine so that later we will not have to regret an illness called totalitarianism. Whether rightist or leftist, it does not fit into our scheme of things and our doctrinal principles, which are committed to liberty and to being soldiers of democracy.

[Mairena] Doctor, but those who can interrupt the electoral process in this country are the Armed Forces. What does the PINU candidate have to say about this?

[Anguilar Paz] I have faith and confidence and I share your opinion. They are the only ones who could interrupt this electoral process, and I share with you that opinion, and this being a great truth, hopefully those who lead our Armed Forces are well enlightened and will act with prudence, wisdom, and respect for our people's freedom of choice. I have confidence that the present leaders of our Armed Forces have changed, and understand perfectly the tremendous consequences that would derive from staging, or from even considering, a coup d'etat at this time. [end recording]

NICARAGUA

PROTEST NOTE TO COSTA RICA OVER MOBILIZATIONS

PA191817 Managua Domestic Service in Spanish 1724 GMT 19 Oct 85

[Protest note sent from Acting Foreign Minister Jose Leon Talavera to Costa Rican Foreign Minister Carlos Jose Gutierrez on 19 October -- read by Foreign Ministry spokesperson Angela Sabollo]

[Text] Yesterday, 18 October, we learned through reliable information about the presence and mobilization of a group of approximately 300 to 400 armed mercenaries in the sector of Cano Machado, 39 km southeast of El Castillo de la Concepcion, and another mercenary force of an undetermined number in the sector of Venado, 49 km southeast of El Castillo in Costa Rican territory.

The Nicaraguan Government again expresses to the illustrious Costa Rican Government its deep concern over the presence, mobilization, and use of its territory by mercenary forces to prepare and carry out their criminal actions against the people and territory of Nicaragua.

In view of the danger of this situation and the risks that it involves, the Nicaraguan Government alerts the authorities of your illustrious government so that they will adopt the appropriate measures in order to exercise effective control and vigilance in that area, and prevent new acts of aggression against Nicaragua.

The Nicaraguan Government again reiterates that it is urgent that adequate mechanisms be found to achieve an effective, lasting solution to this situation such as the creation of a neutral security zone within a conventional framework that will reestablish calm between our people and help the Contadora Group's peace process.

I use this opportunity to reiterate to Your Excellency my sincere regards and esteem.

[Signed] Jose Leon Talavera, Acting Foreign Minister

ORTEGA HAILS ANNIVERSARY OF UN DECLARATION

PA181521 Managua Domestic Service in Spanish 1756 GMT 16 Oct 85

[Statement by Commander of the Revolution and President Daniel Ortega Saavedra on the 25th anniversary of the UN declaration of the independence of colonized countries and UN peoples, issued in Managua on 16 October]

[Text] This year humanity jubilantly celebrates three events that forged the contemporary history of peoples: the 40th anniversary of the defeat of fascism, the 40th anniversary of the founding of the United Nations, and the 25th anniversary of the approval of the declaration of the independence of colonized countries and peoples.

Since the United Nations was founded, approximately 100 former colonies have become independent, which means that millions of human beings all over the world now have the right to self-determination. Nicaragua, a victim of colonialism which continues the struggle to throw off the vestiges of neocolonialism, hails the immense achievements of the United Nations and other organizations such as the OAU in this regard. We hail the glorious liberation struggles carried out by Asian, African, and Latin American peoples to achieve their liberation and independence. Nicaragua is proud of the role played by the special committee in charge of the implementation of the declaration of independence of colonized countries and peoples in the attainment of this objective. Nevertheless, the decolonization process is far from its conclusion. There are still territories where very basic rights such as self-determination, independence, sovereignty, and the right to life and freedom are unknown. The most important example of colonialism is Namibia, and this shameful vestige demands the intensification of efforts by the international community so that that (?territory) may achieve its sovereignty and definitive independence.

We reiterate our belief that liberation struggles are legitimate mechanisms to end colonialism. They have had and will continue to have our support and solidarity. On this occasion we also want to pay tribute to the Nonaligned Movement, which is playing an important role in the decolonization process. Its strength lies to a great extent in the participation of several countries that were victims of colonialism and that have won their independence. The collaboration, or rather celebration of this 25th anniversary should give new vitality and impetus to members of the United Nations and the Nonaligned Movement to continue their efforts to achieve the definitive eradication of all forms and expressions of colonialism from the face of the earth.

ORTEGA DEPARTS TO ADDRESS UN GENERAL ASSEMBLY

Comments on Emergency Measures

PA181758 Managua Radio Sandino in Spanish 1641 GMT 18 Oct 85

[Passages within quotation marks recorded]

[Tex] Earlier, we referred to a report by Claudio Chamorro on President Daniel Ortega's departure this morning to the United Nations with a stopover in Mexico. Claudio Chamorro reports that Commander of the Revolution Daniel Ortega Saavedra, president of the Republic, left for Mexico and New York, headquarters of the United Nations, this morning. He will speak at the 40th UN General Assembly. Before boarding a plane to the Mexican capital, where he will meet with President Miguel de la Madrid to discuss various aspects of the regional situation, he granted a press conference to national and international journalists.

Regarding the full application of the state of emergency, the revolutionary leader said that the application of such measures is taking place at a time when the U.S. aggression is (?taking new turns). This is what he said:

"These measures are aimed at protecting revolutionary interests and the achievements of the revolution, to allow Nicaraguans to further this democratic process, which is now being institutionalized through the National Constituent Assembly. Many (?friends) of Nicaragua have shown regret for the imposition of the state of emergency; we are in fact the first to regret this; however, we have no other option. We do not want to impose a state of emergency, but I ask: Who is to blame for this? U.S. policy is to blame. [words indistinct] ask the United States to cease its policy of aggression against Nicaragua and the state of emergency in Nicaragua would be lifted as well."

A U.S. journalist asked Ortega about a statement by Cardinal Miguel Obando on the application of energency measures, which the Catholic prelate described as totalitarian. On this, the president of the Republic said:

"I think that that was a hasty statement by the cardinal, because if a state of totalitarianism existed here, the cardinal would not even be able to speak out. He is in fact allowed to speak out, move about, [words indistinct], and even involve himself in political activity in this country."

The president also pointed out that Nicaragua is willing to participate in any dialogue initiative between Nicaragua and Costa Rica. In doing so, he was clearly referring to recent statements by President Luis Alberto Monge during a trip to the Near East regarding the possible normalization of relations between the two countries in December. He said: "There is speculation in Costa Rica now as to what President Monge said. Nicaragua is willing to normalize its relations with Costa Rica."

Finally, the president of the Republic commented on the attitude assumed by Ecuadoran President Leon Febres Cordero. Showing disrespect for our national sovereignty yesterday, Febres said that those supporting the Sandinist government are traitors without specifying who he was referring to. Let us listen to President Daniel Ortega's reaction to that statement:

"I think that (?he should) calm down and act rationally, because he is now acting irrationally. As a good Latin American, he has a duty to his people and the Latin American peoples. We call on President Febres Cordero to act prudently, to stop saying crazy things once and for all, and to work for the benefit of unity in Latin America."

Private Meetings Planned

PA190156 Managua Radio Sandino in Spanish 0000 GMT 19 Oct 85

[Text] Within the framework of the commemoration of the 40th anniversary of the United Nations, Nicaraguan President Daniel Ortega will the first speaker at the UN General Assembly next Monday, after having met with the Assembly president, Jaime de Pinies. The Nicaraguan head of state will have a busy schedule which will involve private meetings with several heads of state -- including the prime minister of India, Rajiv Gandhi, outgoing president of the nonaligned Movement; the presidents of Finland, Hungary, Angola, Iceland, Yugoslavia; and the prime ministers of Sweden, China [not further identified] Denmark, and Austria -- as well as a dinner with UN Secretary General Javier Perez de Cuellar.

On Wednesday at the United Nations, President Ortega will address the Latin American and Caribbean representatives, whose unity has been strengthened with regard to the foreign debt crisis and the support for the efforts of the Contadora Group in Central America. Daniel Ortega will avail himself of the opportunity to reiterate to the American people the aspirations of Nicaragua to solve the Central American conflict through peaceful negotiations.

On 25 October, Commander Daniel Ortega [words indistinct] will offer a "Face the People" program with hundreds of members of Nicaraguan solidarity groups in the United States, to be held at the Stephen Wise Jewish synagogue.

EDITORIAL SAYS EMERGENCY DECREE 'NECESSARY'

PA181321 Managua BARRICADA in Spanish 17 Oct 85 p 3

[Editorial: "The Decree Against Conspiracy; the People Can Defend Themselves Better Now"]

[Text] The suspension of some individual rights and guarantees, according to the decree issued on 15 October, is a necessary reply to the actions and threats against the fundamental rights of Nicaraguans such as the nation's sovereignty, citizens' lives, peace, and the revolutionary gains. It is also a measure to defend the framework of political pluralism, a mixed economy, and the entire democratic project promoted by the revolution and opposed by the Reagan administration and its local allies.

The full suspension of 12 articles and the partial suspension of 1 of the articles on the rights and guarantees of the Nicaraguans will only affect the conspirators, because the total defense of the nation and people's interests in view of the imperialist aggression and local conspiracy is fully identified with the patriotic sentiment and attitude of the majority of our people.

It will be this majority of workers from the cities and rural areas who will form Nicaraguan society. Despite the restrictions, they will be the ones to oppose the justification that the right is making of the counterrevolution. Under the present circumstances, they will have more adequate conditions for their productive works and to act in defense or the country against aggression. Political sabotage and ideological deterioration carried out by the defenders of the counterrevolution are opposed to the efforts being made by the people, the workers, and the youths to defend the revolution, and the battles won against the counterrevolution on the battlefield.

Thousands of youths, students, workers, and teachers, who will participate in the coffee harvest, can be confident and sure that the victories obtained by the EPS [Sandinist People's Army] over the mercenaries to provide better working conditions for the people will not be sabotaged by local conspirators. The other thousands of workers in the rearguard will promote production, take care of the ideological struggle, and try to overcome shortcomings and deficiencies, despite the provocations, propaganda, unrest, and actions in favor of counterrevolution and the sabotage of the Patriotic Military Service.

The decision to suspend these rights and guarantees is a legitimate defense of the revolution and the people's gains because it does not allow the rightist sectors, which are collaborating with the imperialist aggression plans, to give impetus to the counterrevolution in a commemorative act in memory of Jorge Salazar.

It is time to stop using the people's religious beliefs to violate the laws of the revolutionary government, as some top members of the Catholic Church are trying to do when they publish a counterrevolutionary political newspaper disregarding the requisites for operating a news media. It is time to stop publications which defend the aggressive policy of imperialism. It is time to stop open subversive propaganda, the activities of the counterrevolution, and the unfounded questioning of the efforts carried out by the revolution in the economic and international policy fields.

It is time to stop the actions that will cause more difficulties for the economy, that will sabotage productive work, and that will threaten social stability under the pretext of making demands on behalf of the workers by manipulating some worker sectors and disregarding the serious economic situation created by imperialist aggression. We will no longer tolerate such activities. We are not going to give in to unjust material demands that the country's economy cannot meet, especially from those sectors that are not contributing to the country's defense.

The defensive measure of the revolution and the fatherland is fully justified as a result of the provocations and support for counterrevolutionary activities. We cannot doubt and legitimacy of adopting defensive measures to take care of and protect the Sandinist people's revolution, a precious legacy of our heroes and martyrs.

Let us remember that the statute of rights and guarantees in Article 49 demands that we take such measures under exceptional or emergency situations that threaten the life of citizens or the nation's stability. With our own laws, we are complementing the victories obtained against imperialism, the defeat of the dictatorship, and the destruction of its counterrevolutionary bands.

OPPOSITION SUMMONED, WARNED BY STATE SECURITY

PA202147 Panama City ACAN in Spanish 2054 GMT 20 Oct 85

[Text] Managua, 20 Oct (ACAN-EFE) -- High-ranking leaders of the Nicaraguan civic opposition were summoned today by the State Security authorities for a warning that statements of protest against the national emergency situation are forbidden. This was disclosed by political sources.

Eduardo Rivas Gasteazoro, president of the Ramiro Sacasa Democratic Coordinating Board [CDN] and Luis Rivas Leiva, president of the Social Democratic Party were the two opposition leaders who attended the meeting with Commander Lenin Cerna, head of the Nicaraguan State Security. Rivas Leiva told ACAN-EFE that the officer "strongly reprimanded us for 5 minutes without giving us a chance to talk."

The warnings issued by the military officer to the dissidents were based on the fact that the political parties will not be allowed to issued protest documents or an analysis on the suspension of rights decreed by the government on 15 October.

Following the meeting, Rivas Gasteazoro and Rivas Leiva were taken in a State Security vehicle to a park where they were released.

The CND -- founded in 1981 and formed by four opposition parties, two non-Sandinist labor unions, and the independent private sector -- issued a protest communique against the suspension of rights. The opposition political leader said that before arriving at the State Security installations "we had to walk bent over with our eyes closed in order not to see around us. After waiting in a little room that resembled a cell, we were booked by the military men. Fingerprints and photographs were taken, and general information requested. We felt threatened," Rivas Leiva added.

On Monday and CDN leaders will meet to study recent events. Nicaragua's internal opposition is planning to request of the highest authorities an explanation regarding the limits of the emergency law.

"We noticed contradictions between what we were told by Commander Cerna and what the other Sandinist commanders have said regarding the emergency law," Rivas Leiva said.

Nicaraguan interior Minister Commander Tomas Borge earlier in the week said that "despite the state of emergency there is still complete freedom of movement to the interior of the country and freedom to come and go from Nicaragua." Borge said that "you must have no shame to say that in Nicaragua there is a state of siege and martial law." The Sandinist minister continued to say that "all legal political and public activities are allowed with the authorization of the appropriate authorities."

According to President Daniel Ortega's statement, the Sandinist government decreed the state of emergency to counteract the aggressions of the United States against this country and other actions that tend to provoke internal destabilization.

RESERVE MILITARY SERVICE LAW IN FORCE

PA190358 Managua Radio Sandino in Spanish 1930 GMT 18 Oct 85

[Excerpts] The Nicaraguan Defense Ministry has reported that, effective today, the reserve military service law is in force. This service will include all Nicaraguan males between 25 and 40 years old, who will help defend the homeland and the revolution.

During a press conference, Deputy Commander Federico Cerda, in charge of mobilization for the Sandinist People's Army [EPS], announced the instructions issued by Defense Minister Commander Humberto Ortega. These instructions will permit the proper training of the EPS's reserve echelon members.

According to the law, all those discharged from active duty after they served their 2-year term in the EPS must enroll in the reserve, which will also include those enrolled in the EPS who were born between 1962 and 1968 and destined for the reserve by the recruitment board. Males between 25 and 40 years old will be called to service either individually or publicly through the news media where they live or work.

Asked about this, Cerda said that the reserve military service is not due to the current emergency situation, but to a regular EPS plan.

Communique Issued

PA181839 Managua Radio Sandino in Spanish 1650 GMT 18 Oct 85

[Communique issued by Defense Minister and Commander of the Revolution Humerto Ortega Saavedra; no place or date given -- read by announcer]

[Text] This is a last-minute report:

On orders from the Sandinist People's Army [EPS] commander in chief and national chief of the people's militias, the Defense Ministry serves notice of the implementation of the Military Reserve Service [Servicio Militar de Reserva -- SMR]

Two years after the implementation of the Military Patriotic Service, SMP, the country has accumulated, through the youths who are rendering their services with the EPS permanent units, a substantial amount of combat and organizational experience. Our people must take advantage of this experience through reserve units, within which citizens without military experience [word indistinct] with the experienced youths who will be graually demobilized from the permanent units after patriotically rendering their active military service.

The perfecting, completion, and cohesiveness of the reserve echelon will enable our nation to harmonize the tasks related to defense, production, and education in a better manner. This institutional advance of the revolution has been possible despite the efforts of the imperialist enemy to dismantle the strategic national defense plans.

(?Exercising) [words indistinct] the powers vested in me by Article No 55 of the law on the SMP, I issue the following instructions:

1. The Military Reserve Service is to be implemented upon promulgation of this order.

2. The citizens who will be mandatorily covered by this implementation are:

a. Demobilized citizens who have complied with the Active Military Service, SMA, through the EPS' units.

b. Recruits born in the years 1962-68 who, by decision of the recruitment boards, are transferred to the reserve military service.

c. Male citizens between 25-40 years of age who are publicly called up through the news media individually or when the entire territory [circunscripcion] where he resides and works is called up.

3. As provided for by Article No 14 of the law on the SMP, the process of registration of citizens between 25-40 years of age into the SMR is to be gradually carried out in accordance with the deadlines, places, regions, zones, or working centers as will be publicly and periodically announced to the citizens who are called upon to perform this civic duty so as to achieve complete nationwide registration by 1988.

4. Once the citizens are registered in the territories, after being called up from time to time and in accordance with production, educational, and medical criteria or any other criteria of social interest, only a part of them will be assigned to anyone of the national defense structures at the respective echelon.

5. [passage indistinct] national defense structures of the reserve [word indistinct] be given basic training and modern military [word indistinct] to which he is entitled and which he is bound to fulfill. Depending on the country's real physical and organizational capabilities, the reservist who is registered, assigned to, and incorporated into a reserve unit will receive this training every year according to the overall plans for a period of 30 days or [word indistinct] 15 days a year.

6. The deputy defense minister and chief of the general staff will draw up the necessary guidelines to regulate the participation of the categories referred to in the [words indistinct].

[Signed] Commander of the Revolution Humberto Ortega Saavedra, minister of defense · of the Republic

STATE OF EMERGENCY, CONTRA AID SEIZURE VIEWED

PA180145 Managua Sistema Sandinista Television Network in Spanish 0200 GMT 17 Oct 85

[Text] The U.S. Department of State has tried to deny that it was U.S. military aggression that caused the national state of emergency decreed by the Nicaraguan Government last night.

Spokesman Bernard Kalb appealed to all those who oppose the Nicaraguan Government to join the Reagan administration, but he did not specify for what.

According to the Department of State, the Nicaraguan decree is another step toward the imposition of a totalitarian regime. This coincides with statements in Managua by Msgr Bismarck Carballo, spokesman for the archbishopric. It was also said in Washington that the state of emergency would give the Reagan administration reasons to increase its assistance to the counterrevolutionaries. Nevertheless, since 1981, the United States has been organizing, financing, and arming the bands of counterrevolutionaries that attack Nicaragua.

Meanwhile, General Walter Lopez, chief of the Honduran Armed Forces, said that he would not tolerate such an offense. He referred to a 14-ton shipment from the United States bound for the counterrevolutionaries. The shipment was confiscated yesterday by the Honduran Army while it was being unloaded at the Tegucigalpa International Airport. The supplies are part of the $27-million assistance approved by the United States. Gen Lopez said the Honduran Armed Forces could not permit this or any other shipments to enter Honduran territory because the Armed Forces guarantees the Constitution, the state's security, and the nation's honor.

In view of this setback, the State Department spokesman stressed that the Reagan administration had been authorized to take these supplies to Honduras.

Decision On Contra Aid Viewed

PA190440 Managua Radio Sandino in Spanish 1200 GMT 18 Oct 85

[Text] Now it turns out that the Honduran National Security Council is offended because supplies have been sent to the counterrevolutionaries established in Honduras and they have said that the supplies will be returned to the United States. This, of course, is nothing more than a farce on the part of the Honduran Government because its territory shelters the 2,500 contras who constantly attack the Nicaraguan people, leaving behind heavy human and material losses. Also, who is not aware of the fact that Honduras is another instrument of the Reagan administration that is attempting to overthrow at all costs the legally established Sandinist government? Who do they think they can fool by saying that they had no knowledge of the arrival of that shipment and other such shipments that have reached Honduras?

It all sounds like a laughing matter. According to General Walter Lopez and Foreign Secretary Edgardo Paz Barnica the United States is violating Honduran sovereignty, but they said nothing when they were holding joint maneuvers with Washington.

ZAMBIA'S KAUNDA VISITS ISLE OF YOUTH

Castro Speaks

FL152029 Havana Television Service in Spanish 1232 GMT 15 Oct 85

[Remarks by Cuban President Fidel Castro at Henry Whitboy school on the Isle of Youth, date unknown, on the occasion of Zambian President Kenneth Kuanda's visit -- recorded]

[Text] Dear Comrade Kaunda, Dear Comrade of the Zambian delegation, dear African students -- that includes Angolans, Mozambicans, Namibians, Congolese, Western Saharans who are also Africans, and dear Nicaraguan comrades whom I have not mentioned: Now we do have a record. In less than 2 weeks, in 13 days, we have had the privilege of visiting this location, first, with comrade Nyerere. Do you remember him? [Crowd answers: "yes."] Later we visited with Comrade Mugabe. Do you remember him? [Crowd answers: "yes."] Now we are visiting with Comrade Kaunda.

I knew this and I was tempted to tell him this the other day but I said nothing. I told him that we would soon visit here because we wanted to surprise you. Now who has come here? They are undoubtedly the most prestigious and with the most authority. There are others. There is Comrade (Maijito), Comrade Dos Santos, Comrade Samora Machel, Comrade (Engeso) [no further identification provided]. There are many more but there is no doubt that among the first leaders in many years are Nyerere, Kaunda, and then Mugabe.

Nyerere was president of the OAU and president for many years of the Frontline countries. You know who the Frontline countries are, right? They are the closest to South Africa. Mugabe will be president of the Nonaligned Movement countries and Comrade Kaunda is the one who has had the most titles. He was president of the OAU, president of the Nonaligned Movement, and is currently president of the Frontline countries.

See what important personalities and what great friends have visited you these days? That demonstrates that they do not forget even for one minute the liberation movement and the struggle of the African people to consolidate their independence, their social progress, and above all Namibia's struggle for independence, and the struggle of the African people against apartheid. Do not forget that for even a moment.

I think that everything serves as a stimulus for all of us. There is much to show in our country. If we go to the eastern province there are historical locations. There are great works being developed, large, new industries in minerals and textiles. If we go to Cienfuegos, we can show the new electronuclear plant under construction, the new oil refinery, large industries like the cement and fertilizer factories constructed by the revolution. One of the locations we like to visit and where we like to take foreign leaders is the Isle of Youth, which has so many interesting things and has progressed so much in these years of the revolution but, above all, that has experiences such as this.

There are really few things more interesting and more human that could be demonstrated by our revolution than these modern schools with a new educational conception, where among thousands of Cuban students millions of students from Africa and other continents study. This is an experience that is a few years old now.

This very school was founded almost 7 years ago and the foreign schools on the Isle of Youth are more than 7 years old. It is now consolidated by practice and has produced extraordinary results. There is no other location in the world where this kind of experience exists. Here you have what signifies the future of your peoples, the opportunity to relate with students of other African countries, and not just from Africa, but also from Asia, like the comrades from Yemen, or the Nicaraguans that also study on this island.

You learn one language here. I do not know if you speak it well. I do not know if after 10 years you will remember how to speak Spanish well, but what is learned well is not forgotten. It is a language that will serve you in communicating among yourselves and with the Latin American people who speak Spanish or Portuguese, as in Brazil, which is a language very similar to Spanish, and among yourselves you can understand each other perfectly.

But they do not merely learn a language. They do not merely establish contacts and relations with thousands of students from other countries. They also acquire technical knowledge, scientific knowledge, and preparation at different levels for life itself.

As you will remember, the first students from Namibia were in the lower grades, and there are now Namibian students studying at the university. That's right. There are some, a group, I do not know how many, but there is a group of these first students studying at the university. A large number of university scholarships have been granted for students from Namibia, taking into account that Namibia is not yet independent.

You will leave this school prepared for life, prepared for a useful job in your own countries. In addition, you are developing your love for your countries. You are developing your customs, your traditions, your culture and above all you are developing a great revolutionary conscience. The visitors are impressed by this, even visitors who are not Africans -- visitors from the United States, legislators, representatives, journalists -- are impressed by these schools because these schools are teaching them an important lesson. They cannot forget that a relatively short time ago they took men and women from Africa to make them into slaves. During almost 4 centuries they kept tens of millions of African men and women enslaved. That era is becoming very distant. The era of slavery and colonialism is becoming very distant. Today, the great majority of African peoples are independent. Only a few have not achieved independence, including Western Sahara, Namibia, and the people of South Africa, who live under brutal oppression.

The fact that the era of slavery and colonialism is being left behind does not mean that justice has triumphed in this world although independence has triumphed. You know that the developed capitalistic countries continue to exploit us; they continue to pay very low prices for your products, they continue to sell us what they produce at very high prices. What is more, it was our countries that financed the development of the industrialized capitalist world, with the sweat and blood of tens of millions of men who worked as slaves. The development of Europe and the United States was financed with the sweat and blood of tens of millions of men from Latin America and the Third World. Historically, those who enslaved us, those who colonized us are responsible for our underdevelopment and backwardness and poverty. [applause]

For this reason we demand that the economic crisis be resolved, that the foreign debt of Third World countries be cancelled, and that the new international economic order be established because our peoples have a right to live and because it is only fair that tens of millions of human beings cease one day to die of hunger every year in the Third World. We aspire to a world in which there will not be hundreds of millions of illiterate men and women. We hope that one day there will not be billions of persons without medical care.

We hope that one day there will not be hundreds of millions of unemployed men and women. For this reason, we must continue to fight very hard for a world that is different from today's, for a more just world, for a world in which all men and women have a right to work, to eat, to well-being, and to justice. [applause]

We have achieved independence but many forms of exploitation still exist. And some peoples such as those of Namibia and Western Sahara are still not independent. And the people of South Africa have not achieved independence or the most elementary human rights either. But, as I told you a few days ago, apartheid is in crisis. Sebastian [not further identified] said that I once said there will be no peace in southern Africa until UN Resolution No 435 is applied and Namibia becomes independent. To this must be added the fact that there will be no peace in southern Africa while racism, fascism, and apartheid exist in South Africa. [applause] Therefore, to the need for Namibian independence, to the need for Saharan independence so there will be peace in Africa, and especially to the need for apartheid to disappear so there will be peace in southern Africa and Africa [changes thought] and therefore our struggle must be directed toward those goals so that, after peace and independence are achieved, we can dedicate ourselves to creative work and development.

Comrade Kaunda thanked us for our hospitality when really we should thank Comrade Kaunda and his delegation for their visit, which is the culmination of a historic period for this island, this island on which one breathes a revolutionary spirit, which is why I said our visitors are impressed. Our friends are pleased. Visitors from rich developed countries are surprised; they especially appreciate the fact that these peoples, who in the past were enslaved and colonized, now have a solid revolutionary conscience, a deep patriotic and internationalist conscience. Those ideas that you express will take us to victory. And these visits we have received in the last few weeks provide great encouragement for all of you to study harder, to advance even faster. And they constitute encouragement for the hundreds of Cuban teachers who have been working with you for many years.

Today it is good to remember teachers of different subjects who with so much affection, enthusiasm, and dedication have committed themselves to the education of these thousands of students from other countries. We also have to acknowledge the Cuban workers of these centers who work in the kitchen, dormitories, the ones providing medical care and all the services these schools require. We also acknowledge tens of teachers from other countries -- thus, from the countries you come from -- who teach languages, history, or politics. Because as we have told all our visitors, political training and orientation is the responsibility of each of your countries' teachers.

Today we can rejoice because of the great progress and great success these schools have shown. Presently, there are 37 schools in the island --almost half, not half yet -- that are used by students from other brother countries.

I imagine that if things continue as they do, because for one reason or another more schools keep opening, undoubtedly the time will come when there will be more schools with students of brother countries than the number of schools with Cuban students. The time will come when the Isle of Youth will mainly be the African Isle of Youth. [applause]

I was joking with Comrade Kaunda and was telling him that surely one day the special municipality of Isle of Youth will request its membership in the OAU. [applause] But although we are not officially in the OAU there is an organization presided over by Comrade Kaunda of which we are a part.

Which organization?

[inaudible response]

[Castro] Which?

[inaudible response]

[Castro] No, another one.

[inaudible response]

[Castro] No, another one.

[inaudible response]

[Castro] We claim the right and honor to be part of the Frontline countries.

Fatherland or death, we shall overcome! [applause, crowd chants]

Kaunda Speaks

FL151939 Havana Television Service in Spanish 1232 GMT 15 Oct 85

[Remarks by Zambian President Kenneth Kaunda at the Henry Whitboy School on the Isle of Youth, date unknown -- recorded, in English with consecutive translation in Spanish]

[Text] [unintelligible chanting by crowd, Kaunda addresses the crowd in unintelligible language or dialect]

Comrade Castro Ruz, comrades in the leadership of the Communist Party of Cuba, comrades from various parts of the world who are students here: I speak on behalf of my colleagues and comrades in the Zambian delegation when I say in the first place we thank you very much indeed for receiving us so well [words indistinct].

We are pround to be given the opportunity to learn from your experience here. Before I speak about Namibia, let me say to Comrade Castro that this is a nobel idea. It is achieving nobel progress. A noble idea with noble achievements. To bring so many young prople from all parts of the world is to serve the spirit of internationalism effectively. We are grateful to you Comrade Castro Ruz.

To you young comrades, you are learning from the experience of our comrades in Cuba. You are learning to develop your minds and brains, learning to develop your hands and minds. This is a very important approach to education. I have no doubt in my mind that you are grasping the opportunity offered you and are learning to become useful citizens of the countries from which you come.

Comrade Castro, what you are doing for our young comrades here is very good. You are training them to become good fighters against the two forces, two evils in the society of man. The first line of evils is exploitative international capital with its offshoots of imperialism, colonialism, neocolonialism, Zionism, fascism, racism, and apartheid. On the other hand, we have poverty and its offshoots of hunger, ignorance, disease, crime, corruption, and above all the exploitation of many by man. Comrade Castro Ruz and the Cuban people through their revolution are teaching us to become good soldiers, to fight these evils in the society of men.

Young comrades, regardless of where you come from I know your leaders want you to be prepared to go and fight these enemies of men through this internationalism. I plead with you again, Take your lessons seriously. Learn everything you can here. Go back and fight these evils of men.

To you Comrade Castro and the Cuban comrades, we are very greateful to you all for this wonderful opportunity.

To young Namibians, I have no doubts about the victory that is coming your way. The whole of Africa, the whole of progressive mankind, is not behind you, it is with you. When you say you are behind someone and he is behind you, you may not know what he is doing behind you. But when he is with you you are seeing him. You are with him at all times, 24 hours a day, 7 days a week, 12 months in the year. That is what we are. [applause] [crowd chants]

So we are going to fight together until victory is assured in Namibia. We will fight together until apartheid is finished in South Africa, until the Continent of Africa is free, east to west, north to south.

Once again, Comrade Castro, we thank you for this opportunity. Young comrades, get on with the job.

One Namibia!

[crowd] One nation!

[Kaunda] One Namibia!

[crowd] One nation!

[Kaunda] One Namibia!

[crowd] One nation!

[Kaunda closes with remark in unitelligible language or dialect.]

Cooperation Commission Set Up

FL160050 Havana Domestic Service in Spanish 0000 GMT 16 Oct 85

[Text] The governments of Cuba and Zambia today signed an agreement establishing a joint Cuban-Zambian economic, scientific-technical cooperation commission. The agreement was signed by Commander in Chief Fidel Castro and Zambian President Kenneth Kaunda. The signing of the agreement once again demonstrates the traditional ties of friendship and solidarity between the peoples and governments of Cuba and Zambia. During the official and friendly visit of President Kaunda, opinions on the principal international problems were also discussed.

Kaunda Ends Visit

FL151556 [Editorial Report] Havana Television Service in Spanish at 1426 GMT on 15 October carries live coverage of the departure of Zambian President Kenneth Kaunda from Havana's Jose Marti International Airport.

The establishing shot shows a motorcade approaching the airport. The camera pans the crowd, which is waving Zambian and Cuban flags and shows the plane which the Zambian leader will board. The limousines approach the landing strip. Castro and Kaunda leave the limousines and take their positions facing the flags of the two countries.

At 1428 GMT, the Cuban and Zambian national anthems are played while the two heads of state stand at attention. Castro and Kaunda review the honor guard while the band plays military music. They then shake hands with members of the Cuban Politburo, alternate Politburo members, ministers, and other officials. They also shake hands with members of the diplomatic corps accredited in Cuba. The two presidents walk in front of the crowd, and Kaunda waves a white handkerchief he has in his left hand. The crowd waves back with Cuban and Zambian flags and cheers are heard.

Castro and Kaunda approach the plane, where members of the Zambian delegation are waiting. Castro shakes hands with them and Kaunda shakes hands with Cuban officials. Castro and Kaunda converse briefly with the aid of a translator. Kaunda is heard to say: You, mister president, as always, have been a wonderful host. I have learned a lot. I hope we continue to work together. As the situation bets harder we will need more heroes and you are our hero. The two heads of state embrace and President and Mrs Kaunda go up the ramp and wave once they have reached the top. The Zambian delegation then goes up the ramp of the Zambia Airways jet.

Cuban President Fidel Castro is seen walking away from the plane with Politburo member Jorge Risquet, Alternate Politburo member Jesus Montane, Foreign Minister Isidoro Malmierca, and other officials.

As the plane gets ready to leave, the announcers summarize Zambian President Kaunda's activities during his 2-day official visit. They also note topics discussed by the two heads of state, mentioning among them the situation in southern Africa and Central America, their support to the struggle of the people of Namibia and South Africa, and the foreign debt problem.

At 1447 GMT, the plane begins slowly to taxi along the airstrip and at 1456 GMT it takes off. At 1457 GMT the cameras return to the studio.

HEALTH CONGRESS ISSUES DECLARATION ON DEBT

FL182103 Havana Domestic Service in Spanish 1200 GMT 18 Oct 85

[Text] A declaration indicating that our countries' foreign debt is the most dangerous threat to Latin America's public health and that therefore it should be declared unpayable has been approved at the closing ceremony of the second hygiene and epidemiology congress held in Havana.

The three best scientific projects were awarded prizes during the final session. They were on nutrition and food hygiene.

COMMONWEALTH AGREES ON SOUTH AFRICA SANCTIONS

HK210504 Hong Kong AFP in English 0346 GMT 21 Oct 85

[Text] Nassau, Bahamas, Oct 20 (AFP) -- Britain today went along with all its Commonwealth partners and agreed to impose a whole range of sanctions against South Africa, including a ban on new government loans and a commitment to halt imports of gold Krugerrands. Both are new sanctions for Britain. The package, thrashed out by a working group of five nations and unanimously approved by the 46 Commonwealth leaders, also calls for a ban on computer sales to South African security forces, a ban on new nuclear contracts and all military cooperation, no government finding for trade missions, and discouragement of all cultural and scientific events. The latter is also a new sanction for Britain.

British Prime Minister Margaret Thatcher, who until the agreement tonight had rejected any possibility of sanctions, told newsmen she had shifted "a tiny little bit." She added: "It was worth paying some price to get agreement and keep the Commonweath together."

The Commonwealth also announced it would appoint a contact group of elder statesmen to "encourage" political dialogue within South Africa. Canadian Prime Minister Brian Mulroney, who announced the package agreed by Commonwealth leaders at their retreat at Lyford Cay this weekend, said he thought South Africa would be surprised by the intensity and extent of the package and by the "signals over the mountain" in the absence of action to end apartheid. This was a reference to back-up sanctions which some Commonwealth countries pledged to take in the absence of internal political reform in South Africa. Mrs. Thatcher made it clear that Britain would not apply these sanctions, which would include a ban on air links, new investments, and agricultural imports. Mrs. Thatcher said "we had to send signals of disapproval that it has taken so long to dismantle apartheid."

Sanction Declaration Presented

FL181908 Nassau Domestic Service in English 1700 GMT 18 Oct 85

[By Obi Wilson]

[Text] Let's now focus on today's session of the Commonwealth heads of government conference. The day began with the honorary chairman of the anti-apartheid movement presenting host chairman Prime Minister Pindling with sanction declarations signed by 168 [word indistinct] representing over 18 million people in Britain. Mr (Abdul Mintin) then held a news conference to explain the purpose of the petition. Prime Minister Pindling told the newsmen after the presentation that the leaders would be disappointed on learning of the execution of Mr Benjamin Moloise. He said the petitions will serve to add to the weight of the opposition to apartheid but refrained from making any personal interjection in relation to statements made by Prime Ministers Hawke and Mugabe [of Australia and Zimbabwe, respectively] during the opening of [?Chogum].

The Commonwealth Secretary General Mr Shridath Ramphal also issued a statement today on the hanging of Mr Moloise. He said: I am sure the meeting will receive the news with anger but not altogether with surprise. This act again demonstrates the content with which the South African government treats [words indistinct] and underscores the point that diplomatic pressure at this time must be reinforced by a practical means if that country is to be saved from disaster.

Also it was announced today that the President of Bangladesh Lieutenant General H. M. Ershad will end his stay in the Bahamas abruptly due to a national emergency. Yesterday, news reports out of Bangladesh said hundreds of students were killed in Dacca when the university's campus auditorium caved in. Leaders, however, continued their debate this morning, as Prime Minister Pindling puts it, in their search-and-rescue mission on apartheid. Discussions today were led by Tanzania, Australia, Sierra Leone and Botswana. The discussions will continue throughout this afternoon.

Thatcher 'Minority of One'

HK210708 Wellington Overseas Service in English 0610 GMT 21 Oct 85

[From the 'Checkpoint' program]

[Text] As you have heard on the news, British Prime Minister Margaret Thatcher's ironclad opposition to sanctions against South Africa has been dented in the Bahamas. Against expectations, the Commonwealth heads of government meeting has managed to get Mrs Thatcher's agreement to a sanctions package, and the conference's tradition of decisionmaking by consensus has emerged intact. Radio New Zealand's reporter at the conference, Mark Scott, says the package is the result of some intense late-night lobbying. He spoke to Kim Hill a few moments ago about what the sanctions really mean:

[Begin recording] [Scott] Well, there are effectively three levels. The first level is the standard denunciation of apartheid and the lack of progress in South Africa. Then comes the first one that's really got any sort of pinch, and that is, as from now effectively banning new government loans, stopping the importation of Krugerrands, no funding of trade missions. Now those three in particular are all new to Britian, and they are seen by most people here as significant concessions on her part. That first level of actual sanctions with pinch goes on to ban computer equipment, nuclear goods and technology, the export of oil to South Africa, and arms as well. Then, if there's no movement from the South African regime within a 6-month period -- and the question of movement will be determined by this group of eminent persons that's being set up -- then a further level, a second tier of sanctions will be proposed by the Commonwealth. Now British Prime Minister Margaret Thatcher is totally opposed to these ones. They include things like banning air links, banning new investment, banning the importation of South African agricultural products, banning any government contracts in South Africa. Now many of the Commonwealth nations have said that they will do more than that. Some have said obviously that they won't do quite as much as others, and Margaret Thatcher has said that in the second tier of sanctions she will do nothing.

[Hill] Right, Margaret Thatcher is calling her shift on this minute, other Commonwealth leaders are calling it significant. What's the consensus?

[Scott] Well the consensus is very much again that Maggie Thatcher is in a minority of one, which is [word indistinct]. That first level there where there will be a ban on government loans, stopping the importation of Krugerrands, not funding trade missions, those are substantial moves by Margaret Thatcher. The Commonwealth secretary general says that it was just a simple process of talking that got them through to this accord, but it's quite clear from having spoken to a number of elders around here that even earlier on today, New Zealand time, there was a considerable concern that they were not going to reach agreement with Margaret Thatcher, and that the accord would come out with her standing outside it. Now she's been badgered very heavily by three in particular of the other leaders, Brian Mulroney of Canada, Bob Hawke of Australia, and Kenneth Kaunda of Zambia, backed up by Rajiv Gandhi of India and Robert Mugabe of Zimbabwe. They have been the ones who have been really pushing the line, they have been the ones who have shifted Margaret Thatcher.

How they have done it is still, at this stage in the Bahamas, a bit of a secret, but there's no doubt that they have done it. Most of the prime ministers are saying this is a substantial concession. Margaret Thatcher herself said it's a small price to pay for keeping the Commonwealth together, so that gives the lie to the suggestion that it was a minute move, she obviously felt that she had to move in the interests of Commonwealth unity.

[Hill] One of Margaret Thatcher's objections to a sanctions package was the possibility that the black states would suffer retaliation from South Africa, and indeed her position appeared at one stage to have some support from the black states at the Commonwealth meeting. Has this package overcome that fear?

[Scott] I think that that fear was really very much a background one. There is no doubt that there was a concern on the part of everybody here at this summit that the black African Frontline nations and also the blacks in South Africa should not be hurt by what the Commonwealth does. But they have heard from the Commonwealth Frontline states, they have heard from Robert Mugabe, they have heard from representatives of the African National Congress, who all have said, look, the blacks have been hurting for 300 years on the African Continent now, it's time that somebody took a principled stand, and that's what they have done. [end recording]

Thatcher's 'Partial Victory'

BK210637 Kuala Lumpur International Service in English 0600 GMT 21 Oct 85

[Text] Commonwealth leaders, including British Prime Minister Mrs Thatcher, have given South Africa 6 months to start dismantling or else face a program of voluntary sanctions. A record released in Nassau, Bahamas, represented a partial victory for Mrs Thatcher who throughout the first 5 days of the Commonwealth summit had firmly resisted the idea of economic sanctions. She nevertheless agreed that as part of an immediate package of measures against Pretoria, each member of the 49-nation group should be ready to take what unilateral action was possible to preclude the imports of South African Krugerrand gold coins. Similar actions on Krugerrand have been taken by, among others, the United States.

The heads of government also agreed to establish a committee of eminent Commonwealth figures to promote a dialogue between South Africa's white rulers and black nationalist leaders. If there was no progress, then the Commonwealth states would consider a number of measures including a ban on air links with South Africa, a ban on new investment, and the imports of agricultural products, a ban on government contracts with South African companies, and an end to the promotion of tourism there.

Mrs Thatcher told a news conference after the accord was reached, the most important thing now is to get a dialogue going between the government of South Africa and representatives of the black population.

Debate Details

HK190700 Hong Kong AFP in English 0558 GMT 19 Oct 85

[Text] Nassau, Oct 19 (AFP) -- The case of the Commonwealth versus South Africa, the jury of 46 government and delegation leaders is still out, closeted over the weekend in a secluded resort while they consider whether sanctions should be imposed against Pretoria. As they left last night for the retreat at Lyford Cay, an exclusive residential estate on the western tip of New Providence Island, there were still deep divisions, but Commonwealth officials said a compromise might emerge. Senior experts from a "core group" comprising Canada, Australia, India, Zambia and an official of the Commonwealth Secretariat spent all day yesterday working on draft proposals for sanctions against South Africa.

The Commonwealth heads will also be considering a proposal from Australian Prime Minister Bob Hawke that a "contact group of eminent persons" should be set up to help foster political dialogue in South Africa between all communities. Names being put forward included former New Zealand Premier Michael Fraser, Canada's Pierre Trudeau and Tanzanian President Julius Nyerere. Mr. Hawke has linked appointment of the group with a progressive package of sanctions if Pretoria fails to introduce its own reforms quickly enough. British Prime Minister Margaret Thatcher has welcomed talk of the contact group as a "promising approach", but insists that even the threat of sanctions would be counter-productive as "no-one is going to negotiate with a gun to his head."

The British argue that they have done more than anyone in taking measures against South Africa, pointing to their arms and oil embargoes and their refusal to grant government loans to Pretoria. "We would be happy to see other countries adopt the measures we have already taken and call them sanctions if they like," a British official said.

Several of the sternest advocates of sanctions have softened their stance over the last three days. Indian Prime Minister Rajiv Gandhi, who called for mandatory economic sanctions when the conference opened on Wednesday, said he was willing to look at alternatives so long as the end result was the abolition of apartheid. Canadian Prime Minister Brian Mulroney told reporters yesterday: "We are working on a package which we hope will find favour to provide for unanimity on this question of South Africa. Pretoria would like nothing more than a split in the Commonwealth, and Canada will work hard to see this does not happen." Zambian President Kenneth Kaunda, while endorsing sanctions, is known to be worried about the economic [?effects] on the Frontline States, six black-ruled nations neighbouring South Africa. These are now moving towards support for more selective and progressive measures. But countries such as Nigeria still argued that Britain -- South Africa's main trading partner -- must apply further measures against what several Commonwealth members referred to as "the most objectionable regime of terror in the world."

CARICOM LEADERS CALL FOR SOUTH AFRICA SANCTIONS

FL182340 Bridgetown CANA in English 2316 GMT 18 Oct 85

[Text] Nassau, Bahamas, Oct 18, CANA -- Caribbean community (Caricom) leaders from Guyana and Antigua-Barbuda today backed the continuing demand at the Commonwealth summit here for sanctions against the racist government of South Africa, conference sources said. Guyana President Desmond Hoyte, attending his first international conference since taking over as head of government last August, said sanctions were vital to forcing an end to the racial policies of the Pretoria regime. In an apparent reference to Britain's resistance to the idea, Hoyte said anyone who tried to ignore sanctions out of economic self interest will find that catastrophe will take over these interests and there will be nothing to salvage at the end of the day, the sources said. Veteran Antigua-Barbuda Prime Minister Vere Bird supported the sanctions call as well as the proposal for establishment of a committee of elder statemen to promote dialogue between the South African government and the black nationalists. But Bird, the oldest surviving Caricom head of government, said such a committee must be given some teeth to monitor the effect of the sanctions and the freedom fighting activities of the African National Congress (ANC) must be allowed to continue. Bird and Hoyte, both attending their first Commonwealth summit as heads of government, were the only two Caricom leaders to speak on the political items on the agenda this morning.

After a series of private talks with other Commonwealth leaders, British Prime Minister Margaret Thatcher, virtually the only leader opposed to sanctions, was persuaded to accept the idea of a high-level committee that would travel to South Africa and try to start up negotiations between the government and black nationalist groups, British officials said.

The creation of a peace committee had been proposed by Austrialian Prime Minister Bob Hawke as part of a two-pronged initiative which has been given the best chance for endorsement by Commonwealth leaders. Thatcher asserted today that negotiations were the most important step toward the abolition of apartheid, but said black leaders would have to agree to put an end to violence by their followers once talks are under way, her aides said.

Several Caricom leaders are attending the October 16-22 summit here, which has deferred discussion on the political agenda items and moved on to economic issues.

U.S. OFFICIAL, KAUNDA, LANGE ON SANCTIONS

HK200332 Hong Kong AFP in English 0242 GMT 20 Oct 85

[Text] Nassau, Bahamas, Oct 19 (AFP) -- A senior American official following the Commonwealth's South African debate here said today that Washington would not bail out any Frontline State which imposed sanctions and then got into economic difficulties. The official, a senior aide to U.S. Assistant Secretary for African Affairs Chester Crocker, told AFP he had held a series of meetings this week with African Frontline State leaders attending the confrerence. He said there were well aware of the American position that "if the Commonwealth went ahead in imposing sanctions against South Africa and this hurt neigbhouring states, as it undoubtedly would, the United States would not react very positively to any demand for financial assistance." Washington fully shared the British position on sanctions and "wouldn't be very happy" if the Commonwealth went ahead in imposing sanctions against Pretoria, he said.

In a recent interview in the London OBSERVER newspaper, Mr Crocker himself said: "We admire the British position, which is based on rational objectives derived from long experience of the problem." Capital disinvestment and new trade embargoes would be "absolute folly," he said. "We are targeting apartheid, not the South African economy," Mr. Crocker said.

U.S. President Ronald Reagan recently announced a series of measures against South Africa, including a ban on gold Krugerrand imports. British Prime Minister Margaret Thatcher has told Commonwealth leaders here that any sanctions, or threat of sanctions, would be counter-productive in seeking to convince Pretoria of the need to end apartheid and institute political reform. "No one is going to negotiate with a gun to their head," she told them.

The Frontline States are known to be anxious about the effect sanctions against South Africa could have on their own economies, which are heavily dependent on Pretoria. Nevertheless they feel that some measures should be taken, even if they have to suffer, Zambian President Kenneth Kaunda said here. President Kuanda is one of the key figures in a mediating group that also includes Canada, Australia and India. Earlier today, he spoke to newsmen allowed to visit the estate on the western tip of New Providence Island for a short time. Mr. Kuanda told them: "If we don't succeed, the very interests they (Britain) are trying to perserve will go up in flames. All know there is an explosion on the horizon in Africa," he said. Commonwealth leaders were all seeking a way to "send a signal to the racists...that unless they can do something about that, the rest of the world will act in a certain way." Despite his worries over the sanctions issue, President Kuanda managed to fit in a round of golf on the estate's private 18-hole course with Australian Prime Minister Bob Hawke, also in the forefront of mediation efforts.

New Zealand Prime Minister David Lange told reporters that Mrs Thatcher had not yet "painted herself into a corner," but added that any intransigence was not coming from New Zealand. Zimbabwe Prime Minister Robert Mugabe declined to speculate on the chances of any breakthrough and said "that's a question you'll have to ask Mrs. Thatcher."